Daily Report

East Europe

FBIS-EEU-94-092
Thursday
12 May 1994

Daily Report
East Europe

FBIS-EEU-94-092 *12 May 1994*

CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

BULGARIA

SDS Submits No-Confidence Motion in Assembly *[Sofia Radio]* 1
Cabinet Meets; Berov Confident on Vote *[Sofia Radio]* 1
To Submit Cabinet Plan 13 May *[Sofia Radio]* 1
New Alliance Deputy Offered Justice Post *[Sofia Radio]* 1
GOR Leader Anticipates Support for Berov *[Sofia Radio]* 2
Greek Party Leader Visits, Meets Officials *[Sofia Radio]* 2

CZECH REPUBLIC

Relations With New Slovak Government Examined *[HOSPODARSKE NOVINY 20 Apr]* 3
New Attorney General States Priorities *[HOSPODARSKE NOVINY 9 May]* 3
Commerce Minister Analyzes Impact of GATT *[HOSPODARSKE NOVINY 15 Apr]* 4
UN Conference Draws Attention to Area's Future *[SEVEROCESKY DENIK 8 Apr]* 4
Supply of Russian Nuclear Fuel Jeopardized *[HOSPODARSKE NOVINY 10 May]* 5
Ingolstadt Pipeline Construction Agreement Signed *[HOSPODARSKE NOVINY 15 Apr]* 6

SLOVAKIA

'Secret' Accord With Hungarian Parties *[REPUBLIKA 10 May]* 7
Party Chairman on Cooperation With Czechs *[MOSTY 12 Apr]* 7
Republican Party Changes Name at Assembly *[SME 9 May]* 8
Meeting To Solve Danube Dispute Proposed *[Bratislava Radio]* 9
Nuclear Power Plant, Siemens Sign Agreement *[SLOVENSKY DENNIK 7 May]* 9
Government Views Report on Social Conditions *[Bratislava TV]* 9

HUNGARY

Lezsak on MDF's Position Before Second Round *[PESTI HIRLAP 11 May]* 10
Smallholders Leader on Cooperation With MDF *[NEPSZAVA 11 May]* 10
SZDSZ, KDNP Working on Election Pact *[Budapest Radio]* 11
MSZP Official Interviewed on Minority Policy *[Budapest TV]* 11
Fidesz Chairman Views Electoral Situation *[PESTI HIRLAP 11 May]* 12
Registration of Hungarist Movement Ruled Out *[Budapest Radio]* 13

POLAND

Strike Continues in Seven Hard Coal Mines *[PAP]* 14
Daily Reports on Strikes, Talks *[RZECZPOSPOLITA 11 May]* 14
Pawlak: 'Good Climate' for Talks *[PAP]* 15
Walesa Answers Questions on Foreign Policy Line *[PAP]* 15
Poll Shows Majority Support EU Integration *[GAZETA WYBORCZA 11 May]* 16
Defense Official Discusses Changes in Army *[RZECZPOSPOLITA 9 May]* 16
PSL Leader Sets Out Economic Aims *[GLOS PORANNY 3 May]* 17
Kolodko Outlines Fiscal, Tax, Budget Policies *[GAZETA WYBORCZA 12 May]* 18
Minister Emphasizes Importance of Privatization *[Munich SUEDDEUTSCHE ZEITUNG 11 May]* 19

ROMANIA

Vacaroiu Interviewed on Domestic, Foreign Issues *[Rio de Janeiro O GLOBO 10 May]* 21
'Orchestrated' Campaign Against Nastase Viewed *[COTIDIANUL 9 May]* 22
Albania's Berisha Arrives on Official Visit *[Bucharest Radio]* 22
Berisha Meets Iliescu, Lays Wreath *[Bucharest Radio]* 22
Relations, Regional Issues Discussed *[Tirana TV]* 23
Berisha Requests Support on CE *[Tirana TV]* 23
Berisha's Activities Reported *[Tirana TV]* 24

BOSNIA-HERZEGOVINA

Croat-Muslim Talks Reach 'Successful' End *[Zagreb Radio]* 25
Text of Federation Agreement *[Sarajevo Radio]* 25
Izetbegovic, Redman Discuss Agreement *[Sarajevo Radio]* 26
Izetbegovic Comments *[Sarajevo Radio]* 26
East Herzegovina Croats Dissatisfied *[Mostar Radio]* 28
Silajdzic Discusses Agreement *[Sarajevo Radio]* 28
Sees 'Great Step' in Agreement *[Vienna Radio]* 29
Karadzic 'Cannot Foresee' End to War Soon *[TANJUG]* 29
To Seek Release of French Aid Workers *[AFP]* 30
Serbs, Abdic's Forces Resume Bihac Attack *[Sarajevo Radio]* 30
Muslims Renew Attack on Brcko *[Belgrade Radio]* 30
UN Condemns Attack *[TANJUG]* 30
Tanks Fire on Grcica District *[TANJUG]* 31
Serb Army Preparing Offensive *[Sarajevo Radio]* 31
UNHCR Personnel Leave *[TANJUG]* 31
UN Predicts 'Biggest Battle of War' *[VJESNIK 8 May]* 31
Karadzic Views Attack *[TANJUG]* 32
Croats Firing Grenade Launchers on Mostar *[TANJUG]* 33
Muslims 'Cleansing' Zenica of Croats *[TANJUG]* 33
Serbs Amassing Arms in Sarajevo Exclusion Zone *[Sarajevo Radio]* 34
UNPROFOR Reports Heavy Fighting in Tuzla *[AFP]* 34
Muslims Planning 'Ecologic Catastrophe' *[TANJUG]* 34
Casualties Reported in Inter-Muslim Clashes *[TANJUG]* 35
U.N. Reportedly Sponsored Muslim Attacks *[TANJUG]* 35
Commentary Says Closure of Borders Will End War *[Sarajevo Radio]* 36

CROATIA

Tudjman Notes 'Satisfaction' With Vienna Accord *[Zagreb Radio]* 37
ΩControversy Over Istria Statute Suspension *[VJESNIK, etc.]* 37
RSK Not To Attach Conditions on Talks *[TANJUG]* 38
RSK Army Protests Croat Cease-Fire Violations *[Belgrade Radio]* 38

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Progress of Privatization Process Reviewed *[NOVA MAKEDONIJA 11 May]* 39

SLOVENIA

Government Threatens Action Against Refugees *[TANJUG]* 40
Foreign Minister Ends Talks in Washington *[Ljubljana Radio]* 40

YUGOSLAVIA

Federal

Bonds Issued To Settle Government Military Debt *[Belgrade TV]* 41
National Bank Governor Views Economic Program *[Belgrade TV]* 41

Serbia

Serbs Stress Brcko Corridor Must Not Be Cut *[Belgrade Radio]* 42
Sabac Prosecutor Charges Man With War Crimes *[TANJUG]* 42

Kosovo

Bulatovic, Kosovo Governors Discuss Security *[TANJUG]* 43

SDS Submits No-Confidence Motion in Assembly

AU1105172994 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 11 May 94

[Text] Today the Union of Democratic Forces [SDS] parliamentary group deposited at the office of the National Assembly a motion of no confidence in Prime Minister Lyuben Berov due to his inability to organize and lead the Council of Ministers. The aim of the SDS is evidently to forestall the prime minister's statement on structural and personnel changes in the cabinet that he is expected to make next Thursday, our reporter Antoaneta Puncheva points out.

Prime Minister Lyuben Berov's proposal for structural and personnel changes in the government will be discussed at a special plenum of the Bulgarian Socialist Party [BSP], BSP leader Zhan Videnov stated at today's meeting of BSP deputies. The BSP deputies reported after the meeting that the plenum will be scheduled for the day when the prime minister officially presents his cabinet's program intentions in parliament, so the exact date is not clear at the moment.

The deputies of the New Alliance for Democracy [NSD] decided at their meeting today not to support Prime Minister Lyuben Berov's expected proposal on structural and personnel changes in the Council of Ministers.

All the political forces, especially those in the parliamentary center, should reach a consensus on the cabinet shuffle, even at the cost of making compromises—this was the common view of Ahmed Dogan, DPS [Movement for Rights and Freedoms] leader, and Aleksandur Tomov, leader of the Civic Alliance for the Republic. They had a long discussion in parliament today, the main subject of which was the government changes. According to Tomov, Dogan and he found that they shared quite a number of common viewpoints in their positions.

Regarding the hardline position of the NSD deputies not to take part in the vote on Professor Berov's program, Aleksandur Tomov expects a slow but sure evolution in the views of the parties and organizations in the NSD group, and Ahmed Dogan predicts the same. The idea of forming a new cabinet within the term of the present parliament is not a bad one, Aleksandur Tomov thinks, but at the moment it is simply unrealistic.

Cabinet Meets; Berov Confident on Vote

AU1205122694 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 12 May 94

[Report by correspondent Kalina Stancheva]

[Text] [Stancheva] The cabinet meeting ended a few moments ago. Prime Minister Berov thinks that against the background of the support he had in overcoming the five no-confidence motions proposed so far by the Union of Democratic Forces [SDS], the sixth such motion will have the same fate. This opinion, expressed by Professor Berov at the cabinet meeting, was reported by his spokesman. It was also reported that since the prime minister has not yet submitted to the National Assembly his proposed personal and structural changes in the cabinet, the no-confidence motion debate will apparently precede those changes, unless the National Assembly decides differently when it adopts its agenda. [passage omitted]

The topic of allowing foreign equipment to cross Bulgarian territory recently became a permanent item on the cabinet meetings' agenda. This time the relevant commission, in which representatives of several ministries participate, submitted, and the cabinet approved, a text which proposes to the National Assembly to adopt the following provisional decision, until the Constitutional Court rules on the matter:

Except in cases related to the stay or passing of foreign troops on or through Bulgarian territory, something that requires the permission of the National Assembly, noncombat flights of foreign aircraft will be allowed in accordance with the provisions of the Law on Civil Aviation. The entrance of foreign vessels or submarines in Bulgarian territorial waters, or visits to open ports, will be allowed in accordance with the Law on Sea Territory. In other words, in both cases the decision will be adopted by the executive power.

To Submit Cabinet Plan 13 May

AU1205132994 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 12 May 94

[Text] On 12 May Prime Minister Lyuben Berov had another consultation meeting with the leaders of the Bulgarian Socialist Party [BSP] parliamentary faction, at which opinions were exchanged. The specified and updated cabinet program and the ensuing structural changes in the government were discussed prior to submitting the program tomorrow to the National Assembly. No personnel changes whatsoever in the cabinet were discussed, the government Press Center reports. Berov said that he will personally acquaint the leaderships of the National Assembly factions with the new names at the beginning of the next parliamentary week.

New Alliance Deputy Offered Justice Post

AU1105141694 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 11 May 94

[Text] Gospodin Atanasov, deputy for the New Alliance for Democracy, confirmed today that Prime Minister Lyuben Berov offered him the post minister of justice in the new cabinet he is forming. Gospodin Atanasov said that he is ready to accept the proposal, even against the wishes of his own parliamentary faction, but the issue has not yet been definitely decided.

GOR Leader Anticipates Support for Berov

AU1105163894 Sofia Khorizont Radio Network in Bulgarian 1500 GMT 11 May 94

[Text] I think there is a possibility that Lyuben Berov's statement on cabinet changes, which he is expected to make this Thursday, will receive greater parliamentary support, Aleksandur Tomov, leader of the Civic Alliance for the Republic [GOR], declared after his meeting with Ahmed Dogan, leader of the DPS [Movement for Rights and Freedoms].

Today we may expect a very important development in the position of the New Alliance for Democracy [NSD] on approving the cabinet changes, assuming of course the demands of the parties making up the NSD are satisfied, Tomov told our reporter Antoaneta Puncheva. One should not permit any single political force to dominate the cabinet, Tomov said, because in such a situation it is certain that the cabinet will fall.

Aleksandur Tomov stated at a news conference held earlier that the GOR will issue a statement on the government changes and a statement on the government's intentions at the plenary session of parliament as soon as they are finally drafted.

Greek Party Leader Visits, Meets Officials

AU1105152694 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 11 May 94

[Text] President Zhelyu Zhelev expressed satisfaction with the resumption of contacts with the Greek New Democracy party [ND] during his meeting with this party leader, Miltiadhis Evert, which took place today. Presidential Spokesman Valentin Stoyanov had this to say about the meeting, which ended one hour ago:

[Begin Stoyanov recording] Relations between the two countries were assessed as very good. These are traditional relations that recently suffered a certain cooling off, which must be overcome.

From the Greek side it was pointed out that the parliament will soon ratify our country's provisional agreement with the European Union. The delay is not a premeditated act, but a result of the Greek elections. Evert proposed an interesting idea on preparing a treaty on the inviolability of borders that should be signed by all Balkan states. President Zhelev assessed the proposal as an interesting idea that merits serious attention. However, he pointed out that it could only be useful if all Balkan states without exception participate in the proposed treaty. Bulgaria and Greece could work actively in this respect, because they are two countries that have proved that they have no territorial claims vis-a-vis their neighbors, and conduct their policy in accordance with the Helsinki Act. Such a Balkan treaty could conform to Balladur's plan on European security. [end recording]

Evert came to Bulgaria to conduct consultations with Bulgarian politicians regarding his proposal. This became clear after his meeting with Aleksandur Tomov, leader of the Civic Alliance for the Republic, which took place early this afternoon. Evert also had a meeting with Filip Dimitrov, leader of the Union of Democratic Forces. Meetings with Bulgarian Socialist Party leader Zhan Videnov and Prime Minister Berov are also planned.

Relations With New Slovak Government Examined

94CH0253B Prague HOSPODARSKE NOVINY in Czech 20 Apr 94 p 3

[Commentary by Oldrich Zabojnik: "Doubts Are Growing Regarding the Customs Union"]

[Text] Notions that any kind of Slovak government other than that of Meciar would be an easier partner for the Czech Republic are proving erroneous in the first month of activity on the part of the Moravcik cabinet. While Meciar was frequently a partner who was difficult to figure out, given a little patience, when it was always necessary to wait awhile before he would cool off over a problem, in the end it was generally possible to come to agreement with him. That was also made simpler by the fact that Meciar's basic disposition is expressly political, which makes it possible to find compromises not always immediately measurable in terms of money. Although the seemingly softer Moravcik does display a willingness to exercise more restraint in listening to the views of the Czech partners, he unequivocally stresses Slovak commercial and economic interests in relationships with the Czech Republic, interests which, even in his opinion, are not now being met with equality. His economics ministers go still further and openly state that they will be more difficult partners for Prague than were their Meciar predecessors.

Above all, the Moravcik government is currently concerned with the customs union which ideologically divides Slovakia into its opponents and defenders, the latter of which seem to be diminishing with the passage of time. It would appear that the number of defenders is diminishing, even despite warnings sounded by leading Slovak economists. For example, Prof. Jozef Kosnar, who is considered to be the principal economics expert at the SDL [expansion unknown], when responding to a question by HOSPODARSKE NOVINY as to what he thinks of the contribution made to Slovakia by the customs union stated: "Elimination of the customs union would be a greater economic blow for Slovakia than was the elimination of the federation in the political sense." However, there are only a few public officials in Bratislava who would be willing to publicize such a view. Following the advent of the Moravcik government, however, there was an express increase in the number of those who publicly made no secret of the fact that they consider the customs union as something which not only makes no contribution, but as something which even harms Slovakia. One of the members of the government who shares in formulating the financial policies of the Slovak Republic even believes that the very origin of the customs union was a mistake for Slovakia. He adds that a small state which is beginning its existence should primarily provide opportunities for its manufacturers even at the price that their products are more expensive and possibly even of a lower quality than imported products.

Given the growing criticism of the current content of the customs union, it is interesting to monitor the Slovak media. Even those who had subjected Meciar's economic policies to crushing criticism and had favored an understanding with the Czech Republic are now stressing the need for a consistent approach by Moravcik toward Prague in bringing about "more just conditions" for trading for Slovaks with Czechs. The Slovak approach in matters of the customs union is visibly accelerating. It is passing from those realized technical barriers in the image of attestations, certificates, and import tariffs toward manifesting demands that changes be effected in the clearing accounting procedures as well as in the customs union itself. This type of activation which, in Bratislava, is already slowly exceeding the limits of a campaign, even has its political motivations: Under opposition criticism, Moravcik cannot afford to be clearly less of a patriot in the eyes of the public prior to the elections. But the matter is primarily more pragmatic. The efficiency of the Slovak economy is approximately one-third less than that of the Czech Republic and Slovakia must come to terms with a lower standard of living than the one it was accustomed to in the federation. That finding is leaked to the public because no one within the coalition or the opposition has the political courage to fully admit it. That is why all potential sources that could slow down the currently continuing economic failure of the country are being sought out all the more tenaciously.

New Attorney General States Priorities

AU1005123294 Prague HOSPODARSKE NOVINY in Czech 9 May 94 p 3

[Interview with Attorney General Bohumira Kopecna by Pavla Safrankova; place and date not given: "State Attorneys Will Be Appointed in May"]

[Excerpt] [Safrankova] What will you focus on in your post of attorney general?

[Kopecna] First of all, on finishing the proposal for the minister of justice on appointment of the state attorneys. They will be appointed to their posts according to the Law on the Office of State Attorney on 17, 19, and 23 May. I consider expert qualifications and integrity to be the most important criteria. At this time, approximately 900 attorneys who were transferred here from the former offices of the prosecutor work at the state attorney offices. As of 1 July, there will be approximately 100 fewer of them. Their number at the individual levels of the office of state attorney is defined by the Ministry of Justice and are derived from the number of judges.

[Safrankova] Do you have any other priorities?

[Kopecna] I will also concentrate on further developing cooperation with the Ministry of the Interior in the struggle against crime because, after all, criminal action is the focal point of the work of the office of state attorney. It takes part in a civil action only exceptionally as specified by law. This concerns, above all, selected

sections of Family Law—denial of fatherhood according to Article 62 of the Family Law, for instance. [passage omitted]

Commerce Minister Analyzes Impact of GATT

94CH0253A Prague HOSPODARSKE NOVINY in Czech 15 Apr 94 pp 1, 22

[Article by Milos Sklenka: "According to Dlouhy, Liberalization of World Trade Will Increase the Czech GDP by 1-2 Percent Per Year"]

[Text] *Today, the Czech Republic will sign the final accords of the Uruguay Round and an agreement regarding the WTO [World Trade Organization]; our government is rejecting the so-called social clause to the GATT agreement; the Czech minister engages in bilateral negotiations regarding the expansion of trade.*

Yesterday, in a conversation involving Czech journalists at Marrakesh, Vladimir Dlouhy, Czech minister of industry and commerce, said: "The Czech Government sees the GATT agreement as a fundamental contribution to our economy and to our future economic growth, because expansion of the Czech economy will be dependent upon export to a considerable extent. For the Czech Republic [CR], which has comparative advantages from the standpoint of exports that cannot be ignored, the conclusions stemming from the Uruguay Round, which facilitate access to markets, will, among other things, restrict the opportunities of developing nations to attack us for dumping and to impose quantitative and other technical commercial obstacles on our exporters."

In his opinion, the advantages stemming from the worldwide liberalization of trade and which are contained in the Final Act of the Uruguay GATT Round, which the minister will sign for the CR today in this Moroccan town, will annually provide a supplement for our economic growth on the level of 1 to 2 percent of the gross domestic product.

In his speech before participants from 125 countries at the GATT ministerial conference, which will bring to an end more than seven years of negotiations involved in the Uruguay Round at Marrakesh after four days of discussion and which deals with the liberalization of international commercial exchange, the minister expressed the CR's interest in becoming a full-fledged member of the newly established WTO, as of 1 January next year.

He further rejected the so-called social clause, which is an inseparable component of the WTO agreement. He explained that the introduction of minimum work standards in developing countries having cheap exports would exert an unfavorable influence, not only on their competitiveness in the world market, but can have a negative effect on employment even in the importing countries.

"Wages in less-developed countries will remain low as long as those countries remain poor and as long as there are surpluses of available manpower," he stressed. According to Dlouhy, the social clause could even restrict the investments made by supranational corporations in these regions of the world, because it is precisely the low wage costs that attract them to those areas.

In responding to a question by HOSPODARSKE NOVINY as to why the CR, which wishes to join the ranks of the developed countries as rapidly as possible, is resisting their proposal to connect commerce with the rights of free association of citizens in trade unions, the guaranteeing of collective bargaining, and the prevention of the exploitation of child labor, the minister responded that "the CR is opposed to having the new international institution become a place of discussion regarding social and labor rights of citizens." He stressed that, for this purpose, there are other forums which exist, such as, for example, the International Labor Organization (ILO).

As far as ecological protection issues are concerned, which also became part of the document, particularly at the request of the United States and France, Dlouhy noted that even those issues should not be discussed within the multilateral commercial organization, in the opinion of the Czech Government.

Yesterday, Minister Dlouhy also held a number of bilateral conversations in Marrakesh. He signed a new commercial agreement with Muorad Cherif, Moroccan minister of foreign trade and investment. The document, which replaces an old agreement dating back to the 1980's, adapts mutual trade between the Czech Republic and Morocco to conditions of the market economy and fully reflects the standards of GATT.

He negotiated regarding the possibilities for eliminating antidumping measures aimed at the importation of Czech electric motors with C. Kesman, Argentine deputy minister of foreign affairs. V. Dlouhy also met for discussions with C. Amorim, Brazilian minister of foreign affairs, Panitchpakdi, Italian deputy prime minister [as published], and S.B. Joedono, Indonesian minister of trade. At the request of the Latvian side, he also held discussions with O. Pavlovskis, Latvian minister of state for foreign trade. It is expected that today the Czech minister will hold discussions with Peter Magvas, Slovak minister of economics.

UN Conference Draws Attention to Area's Future

94CH0235A Usti nad Labem SEVEROCESKY DENIK in Czech 8 Apr 94 pp 1-2

[Interview with Bohuslav Rychtarik, mayor of Straz pod Ralskem, by hp; place and date not given: "There Is Hope for the Ralsko Area"]

[Text] *About 50 delegates from 16 countries throughout the world participated in an international conference on the conversion of the weapons industry and revitalization of former military areas, which took place at Straz pod*

Ralskem on 29-31 March of this year. The conference was organized by the Energy Efficiency Committee of the United Nations and sponsorship over the conference was adopted by the Ministry of Industry and Trade of the Czech Republic.

"Mr. Frederic Romig, the secretary of the UN Energy Commission, assured me that the conference signifies hope for us and that the model solution for saving energy in Ceska Lipa Okres, a project which is designated as an energy-efficient demonstration zone in the region of Ceska Lipa, and on which we began working with Mr. Romig approximately 18 months ago, continues to be alive. Mr. Romig already has in hand the final signatures pertaining to the availability of financing and the first operations could be initiated by the end of this year," said Bohuslav Rychtarik, the mayor of Straz pod Ralskem, about the negotiations.

[hp] At the conference, you met with representatives of entrepreneurial circles and government organizations. What are their experiences in revitalizing former military regions?

[Rychtarik] They assured us that the basic condition for revitalizing military areas is privatization—without privatization, we cannot move from the spot. The Czech Government has already created the fundamental conditions. A budgetary organization has been established for the privatization of former military areas at Ralsko and Mlada. The organization is called PRIVUM and a part of the property owned by the former military area has already been transferred to the property holdings of Straz pod Ralskem. We have already negotiated with representatives of PRIVUM and we were very surprised about how much they were "in the picture" with regard to the Ralsko area. They are extremely forthcoming and are developing maximum efforts to see to it that the problems are finally solved rapidly. We agreed on a precise schedule under which the various individual facilities will be transferred to PRIVUM, we know who must do what by when in order for matters to move forward.

[hp] Did the negotiations with representatives of foreign firms bring any concrete results?

[Rychtarik] In establishing personal contacts, we realized that we are not the only ones who must deal with the revitalization of former military areas. The U.S. Government is releasing enormous financial resources toward the revitalization of former military areas. It can afford to do so, much as it can afford to finance retraining of individuals and provide some advantages to those who are beginning to operate in former military areas as entrepreneurs. The Czech Republic, as one of the countries of the former Eastern bloc, has progressed the furthest in the privatization of former military territories, something which was confirmed to us by representatives from Belarus as well as from Latvia, who are sincerely envious of us.

Revitalization of the Ralsko area was of great interest at the conference to the Greeks, but, so far, they have not come up with a specific offer. On the other hand, negotiations involving Americans look quite promising. Rolls-Royce representatives were not only representing the world renowned automobile factory at the conference—one of the divisions of the company is oriented toward processing uranium and is focused on ecology. The Americans were interested in the program for discontinuation of the extraction of uranium ore. In the immediate future, a working group from Rolls-Royce is to negotiate the topic with Eng. J. Makovicka, the director of the DIAMO state enterprise at Straz pod Ralskem.

Supply of Russian Nuclear Fuel Jeopardized

AU1105182494 Prague HOSPODARSKE NOVINY in Czech 10 May 94 pp 1-2

[Article by Marcela Doleckova: "Russian Partner Makes Delivery of Nuclear Fuel for Dukovany Conditional on Repayment of Debt"]

[Text] Skodaexport, which was buying Russian nuclear fuel for the Dukovany nuclear power station until last year, owes the Russian supplier $5.7 million for the 1992 deliveries. Albert Panushkin, chief engineer of the Mashinostroyitelniy zavod company, told HOSPODARSKE NOVINY that, following the bad experience with Skodaexport, the Russian fuel producer intends only to sign contracts directly with the Czech consumer—that is, CEZ [Czech Power Generating Works] company. However, no contract will be signed until the debt is settled. In spite of the glut on the world uranium market, Mashinostroyitelniy zavod is the only company in the world that produces nuclear fuel for reactors of the Russian type that are installed in Dukovany. Even though CEZ invited tenders for the supply of alternative fuel for Dukovany, responses to which have come not only from the present Russian supplier but also from a West European consortium and the U.S. Westinghouse company, the mere development of the production technology for fuel for the Dukovany Russian-type reactors would take two to three years. Any supplier but the Russian one is thus essentially out of the question until then. The new contract between CEZ and the Russian supplier concerns this year and the subsequent two years. Although it should have been signed in March, it has only been initialed thus far. According to Jaroslav Mil, CEZ's specialist for nuclear fuel issues, the Dukovany power station has enough fuel in stock to last one year. However, it has already starting tapping those reserves.

Vladimir Lima, Skodaexport's director of finance, admitted to HOSPODARSKE NOVINY that "there is some truth" to the Russian accusation. He admits, above all, that CEZ had actually paid Skodaexport for the purchase in Russia a long time ago. Vladimir Cima stresses, however, that Skodaexport is "in complex credit relations with Ceskoslovenska Obchodni Banka [Czechoslovak Foreign Trade Bank, CSOB]" and suffers from a

shortage of funds. Asked directly whether Skodaexport uses CEZ money to cover its other commitments, the director of finance replied in the affirmative. He stressed, nonetheless, that ways of settling the Russian claim are being sought intensively. In this context, both Cima and Jiri Brudnak, who heads the relevant trade division of Skodaexport, use the words "gradually, by means of deliveries of goods as well as bank transfers." Cima even uses the term "to mutually offset claims and liabilities," by which he means not only Skodaexport's claims and liabilities toward Mashinostroyitelniy zavod (or, respectively, Tekhsnabeksport, a trading company with a license to export nuclear fuel), but also toward other Russian companies. Overall, Skodaexport's claims in Russia exceed its liabilities.

Albert Panushkin told us in this contact that Mashinostroyitelniy zavod is 51 percent private (these shares are owned by its employees) and does not care about the liabilities of other Russian companies toward Skodaexport. Neither Panushkin nor Brudnak deny the existence of certain partial interests on the Russian side. It seems that the management of Mashinostroyitelniy zavod is interested in obtaining the company's remaining shares and that the management would be more accommodating if the Czech side tried to influence Moscow in this direction. The remaining shares of this sole supplier of fuel for the Dukovany nuclear power station, on which the Czech Republic depends for about 25 percent of its electricity production, are still owned by the Russian state.

Ingolstadt Pipeline Construction Agreement Signed

94CH0253C Prague HOSPODARSKE NOVINY in Czech 15 Apr 94 pp 1, 23

[Article by Olga Skalkova: "Signing the Ingolstadt Agreement Signals the Beginning of Construction of the Pipeline on the German Side"]

[Text] *Oil could begin flowing into Bohemia from the West in the fall of 1995; the site of the tank farm will become the property of the Czech Republic.*

The festive groundbreaking at the tank farm in the refinery at Vohburg in the suburbs of Ingolstadt, from where a 170-km-long oil pipeline will start on the German side, yesterday signaled the actual first stage of work on the movement of oil from Germany to the Czech Republic. The groundbreaking immediately preceded the signing of a Bavarian-Czech agreement on the takeover and sharing of guarantees for so-called uninsurable damages, an agreement which was the culmination of virtually six months of work by experts on both sides to obtain the approval of the Bavarian parliament regarding the approach to the right-of-way through which the pipeline will pass. With a view to the interests of Bavarian landowners, the Munich Government is assuming guarantees for any damages that could occur, for example, as a consequence of natural catastrophes or because of the halting of pipeline operations. The Czech side would compensate such claims with an amount of 80 million German marks [DM], taken from resources of the National Property Fund which it deposited with the Czech National Bank.

For the Bavarian side, the agreement was initialed by Michael Schneider, chief of the Office of the Ministry of Economics and Transportation; for the Czech side, by Tomas Jezek, chairman of the National Property Fund, Jan Princ, first deputy chairman of the National Property Fund, and Karel Siedler, director general of the corporation for the construction operation of the pipeline from Ingolstadt, Mero CR, corporation.

Part of the signing also involved a proposal for a letter to be exchanged by Prime Minister Vaclav Klaus with his Bavarian counterpart, Edmund Stoiber, according to which the Czech Republic would pledge to fulfill all its commitments, even after the possible demise of the National Property Fund or the Mero firm.

Radomir Sabela, Czech Republic deputy minister of industry and commerce, who also participated in the signing ceremony, call yesterday's action an important step toward the independence of the Czech petrochemical industry from Russian oil. According to the deputy minister, the Munich parliament should adopt a law on the pipeline construction and on the possibilities of temporary access to land parcels of property owners who were resisting the project, at the latest by 20 May. T. Jezek several times emphasized the forthcoming nature of the Bavarian side in that connection.

Together with representatives of Czech diplomatic circles in Bonn, Jezek expressed his conviction that the German side would issue the building permit to initiate construction of the pipeline portion in the fall. According to the view expressed by a high-ranking official of the Bavarian Ministry of Labor, Reinhard Schug, whose ministry grants such permits, Munich is not planning to take the step until November or December. Even so, the need not be a threat to the deadline for starting test operations of the pipeline, which the Czech side optimistically is counting on for September of next year. More realistically, operations could begin by the end of 1995. The tank farm site, construction of which began as of yesterday, thanks to the preliminary permit issued by the Bavarian Government, is located on 6.5 hectares of land which should soon become the property of the Czech Republic. It will even house a repumping station for oil fed in from Trieste.

'Secret' Accord With Hungarian Parties

AU1105173394 Bratislava REPUBLIKA in Slovak 10 May 94 pp 1-2

[Commentary by Jergus Ferko and Viera Urbanova: "Moravcik's Coalition Has Sold Out Slovakia's State Interests; NEPSZABADSAG's Scandalous Revelation—Secret Agreement With Hungarian Parties"]

[Text] "Moravcik's government is hanging on the string of [ethnic Hungarian leader Miklos] Duray's pants," master of intellect Vladimir Minac said in a recent interview for REPUBLIKA. Many people suspected that the old man was right, and the Slovak Heritage Foundation demanded in vain that the coalition disclose the contents of its secret agreement with ethnic Hungarian parties. Let the Slovak public learn what promises had been made to Miklos Duray and Vojtech Bugar [chairman of the Hungarian Christian Democratic Movement] for the support they give in Parliament to the fragile, actually minority coalition that is limping on both legs. As so many times before, the truth surfaced on the other side of the Danube, in the Hungarian press, in which our minority politicians tell completely different things than they say at home, things they would never dream of telling the Slovak public. On 14 March, the Hungarian left-wing daily NEPSZABADSAG (the largest Hungarian daily) carried the following scandalous information:

"According to Hungarian sources from Slovakia, Hungarian parties really did not wish to be represented in the new government (as they do not want to give Meciarites and nationalists the opportunity to play the Hungarian card), but they agreed with the other parties that their view would be taken into account in decisionmaking, particularly on ethnic issues. The foundations of this cooperation have been laid down in eight points:

"As [Coexistence Deputy Chairman] Arpad Duka-Zolyomi told our daily, the agreement provides for the adoption of laws on the names of communities and on the writing of family names in a form that will be acceptable to the Hungarians. Important points concern guarantees of community property and the transfer of care of schools and cultural institutions to the jurisdiction of community self-administrative bodies. It is necessary to halt the organizing of the so-called bilingual alternative schools in areas inhabited by ethnic Hungarians. The Hungarian parties expect that the process of preparations for territorial reorganization will be halted. The new government will also prepare the signing of the European Self-Rule Charter and the European Regional and Minority Charter. Furthermore, the agreement concerns the establishment of minority departments at the Ministries of Education and Culture, within the framework of which there will be separate Hungarian sections. The appointment of state secretaries at the aforementioned ministries will have to be coordinated with the Hungarian parliamentary parties. Finally, it is necessary to reconsider the composition of local state administration bodies in the minority regions and take into consideration special recommendations from the Hungarian parliamentary parties."

Behind-the-Scenes Scenario for Undermining the Constitution

The documents approved at the 8 January rally in Komarno, which was organized by the Association of Zitny Ostrov [Rye Island; area along the Danube in southern Slovakia inhabited by ethnic Hungarians] Towns and Communities, in close cooperation with representatives of the Hungarian Christian Democratic Movement and Coexistence, uncovered the cards of those ethnic politicians. They were also uncovered by a statement made by Istvan Pasztor, mayor of Komarno and member of the Coexistence leadership, after the rally: "If we do not succeed with this government with our demands, we will succeed with another one!" Even Sibyl would be pleased [as pubalished]. The Komarno documents contain exactly what Arpad Duka-Zolyomi presents as points of the agreement with the broad-coalition government. The well-written scenario of the executors of Budapest's policy in Slovakia is starting to be implemented. Cultural and school autonomy, guaranteed by the property of communities, would lead in the ethnically mixed regions to actual autonomy, also in view of the electoral law, which is based on the majority principle regarding elections to self-administrative bodies.

The position of the state-forming nation, the Slovaks, in southern Slovakia is already alarming, starting with the discrimination against Slovak pupils and ending with the impossibility for Slovaks to claim their rights with city and community councils, which are controlled by [ethnic] Hungarian politicians. As can be seen, the Moravcik coalition's craving for power is stronger than its responsibility for the fate of its own nation and defense of its state interests as enshrined in the Constitution.

The coming days, when the laws on the names of communities and on [birth and marriage] registers and the solution to Slovakia's territorial and administrative division will be discussed, will show how far the present broad coalition intends to go in its concessions to the already privileged Hungarian minority! Above-standard rights of minorities have never brought anything good in history.

By the way, in the last "Kroky" ["Steps"; television panel discussion broadcast every Sunday morning], Vojtech Bugar swore that no agreement exists between the coalition and the Hungarian political entities. Who is actually using lies as a working method?

Party Chairman on Cooperation With Czechs

94CH0234A Bratislava MOSTY in Slovak 12 Apr 94 p 9

[Article by Democratic Party Chairman Pavol Hagyari: "The Democratic Party Wants To Overcome Artificial Barriers"]

[Text] Shortly after the last parliamentary elections we became witnesses to a process that constituted a denial of

the existing natural arrangement of things as well as a denial of the trends and tendencies prevailing in Europe. At a time when the coexistence of Czechs and Slovaks could have finally, after decades of totalitarian government, reached its logical outcome—a democratic arrangement of relationships between the republics, but mostly among citizens—the coexistence came to an end. At a time when the importance of borders in all of Europe is diminishing and the integration of the countries of the European Union is progressing ever further, a new border was created along the Morava River.

A border, which no one needed. A border which, apart from a handful of ambitious politicians and an evident minority of nationalists, no one wanted. And despite the efforts of individuals on both sides, the separation continued to be more and more transformed into an alienation. Whereas elsewhere borders are being changed into purely formal lines, for us this border is becoming more and more of a barrier. An artificial and nonsensical barrier which no one wants anymore and no one needs and which no one is able to espouse.

On the contrary, more and more people are realizing the need to overcome this artificial barrier or, better still, not to permit it to grow to greater dimensions, as is unavoidably necessary. Simple citizens engaged in travel, people from the new near-border communities and regions, entrepreneurs, people with relationships to the culture of the second nation, television viewers and radio listeners, students, patients undergoing therapy in the health facilities of the other republic, people who live permanently on the territory of the other republic, mixed marriages, etc.... All of these people were not only surprised and saddened by the division of the common state, but are experiencing specific practical problems.

Even though we cannot now eliminate the very essence and main cause of these problems, we should at least try to effect the maximum mitigation of their consequences. Although many people speak of overcoming artificial barriers, only a few are sincere about it and even more rarely does someone actually do anything about it. I am not now speaking of citizens and their efforts and longings of small, but at the same time great attempts at maintaining the Czecho-Slovak relationship. I have in mind those who primarily brought the problem about—in other words, politicians.

Seeing the unhappy situation and the lack of interest in resolving it, the Democratic Party decided to act. In view of its traditions, its membership, its basic values, it is generally understandable that it is precisely this party as the first among the Slovak political forces, which has come out with a specific program of Czecho-Slovak cooperation, with specific proposals to effect rapprochement between the Czech Republic and the Slovak Republic.

We are proposing to effect an economic and social transformation, utilizing all of the experiences of the Czech Republic. We are proposing that membership in European integrational structures be coordinated, that new legislation be created, taking into account the legislation of the European Union, as well as that progress be made in the fight against international criminality. We desire for the republics to grant citizens equal political rights (with the exception of elections to parliament), an equal opportunity to study, equal medical care, and, in the case of permanent residents, even equal social security benefits, equal to those of the republic's own citizens. We want to make available to citizens of the Czech Republic who are longer-term residents in Slovakia the right to participate in community elections. We propose supporting joint cultural projects, the creation of a joint radio broadcast and a joint television program or, at least, joint news broadcasts, prepared by a joint news staff.

We are convinced that the alienation has now lasted sufficiently long and that the time has come for a reciprocal rapprochement. To that end, the Democratic Party is proposing a specific way. It will not be an easy road and one without problems. We shall not avoid being attacked and accused. But, even so, it is worth it. History cannot be fooled. The relationship between Czechs and Slovaks will never be a relationship such as exists between two adjoining nations.

The impulse for the division originated with the Slovak political representation. That is why the moves toward rapprochement should originate with the Slovak side; at least we should show good will. The best example of our interest in drawing closer to the Czech Republic would be the showing of appropriate respect for the day on which the first Czechoslovak Republic came into being and proclaiming 28 October a holiday for the Slovak Republic. If for no other reason than at least because it is our duty toward our history and particularly toward ourselves. Decent people become accustomed to fulfilling their duties. Even we shall prove that we belong among decent people. It will be of great significance for any future rapprochement.

Republican Party Changes Name at Assembly

AU1105173294 Bratislava SME in Slovak 9 May 94 p 2

[TA SR report: "The Slovak Republicans Have Changed Their Name"]

[Text] The Republican Bloc-Republican Party (RBRS) is the new name adopted on Saturday [7 May] by the participants in the Republican Party's Second General Assembly in Bratislava. The RBRS acknowledges the principles of neoconservatism and supports the rapid realization of economic reform. It is offering to cooperate with all right-wing parties in Slovakia. Anticommunism, guaranteeing a law-governed state, and right-wing economic reform are the main tenets of its program. Ivan Duris is RBRS chairman and Imrich Tichy is the party's honorary chairman.

Meeting To Solve Danube Dispute Proposed

LD1105172194 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 11 May 94

[Text] Ivo Hlavacek, the director of the section for international law and consular affairs of the Slovak Foreign Affairs Ministry, has handed a note to the Embassy of the Republic of Hungary in Bratislava. The note is a reaffirmation of Slovakia's readiness to continue in talks on the temporary water economy regime on the Danube in connection with the Gabcikovo hydroelectric project. The note reasserts that the Slovak side regards such talks as desirable and already proposes the second date this year for holding a meeting that should take place in Bratislava between 18 and 19 May.

Nuclear Power Plant, Siemens Sign Agreement

AU1105181994 Bratislava SLOVENSKY DENNIK in Slovak 7 May 94 p 4

[TA SR report: "For the Nuclear Plant's Safety"]

[Text] Bratislava—"An agreement has been signed between the Jaslovske Bohunice nuclear power plant and the Siemens Aktiengesellschaft, Berlin und Munich company on the gradual reconstruction of the Bohunice nuclear power plant," said J. Sidor, press secretary of the Slovak Energy Enterprise, Bratislava. He added that, on the basis of this agreement, the plant's safety systems will be improved stage by stage, and, thus, its equipment will correspond to the normal international standard for water-pressure reactors. In this context, the older reactors will also be supplied with the necessary equipment.

Government Views Report on Social Conditions

LD1105224294 Bratislava STV 1 Television Network in Slovak 2000 GMT 11 May 94

[Text] At its meeting yesterday, the Slovak Government discussed and noted the report on the social situation in 1993. The Ministry of Labor, Social Affairs, and Family provided us today with information on this material. Marta Cierna comments:

[Cierna] The members of the Moravcik Cabinet had the opportunity to acquaint themselves with the real social situation last year. The report says that there was a further decline in living standards in 1993. The worsening of living standards manifested itself mainly in the continuing increase in the cost of living, the reduction of the purchasing power of the population, and rising unemployment.

The introduction of the new tax system, changes in the VAT [value-added tax], and the devaluation of the currency also affected the social situation. Therefore, although the overall income of the population grew by 19 percent compared to 1992, its real value fell by 2.6 percent. The average nominal income was 5,310 korunas [Sk]; the average income of employees in the private sector was Sk42 more. The cost of living, however, grew much faster than incomes.

The social groups most affected were families with small children, large families, and pensioners. The number of families that asked municipal authorities for social benefits—for example, the food allowance—went up by as much as 25 percent compared to 1992. The social situation affected families with one or both unemployed parents in particular. This was caused, apart from other things, by stricter conditions for the payment of social benefits to the unemployed.

Regional differences in the rate of unemployment became greater as unemployment grew. The number of long-term unemployed went up as well. With regard to pensioners: Although pensions went up twice in 1993, the first increase beginning 1 March was only 3 percent, and the second, from 1 December, was 6 percent. The average pension was Sk2,367. Although the state spent Sk2.7 billion more on pensions in 1993 than in 1992, pensioners' living standards declined significantly.

Lezsak on MDF's Position Before Second Round

AU1105165294 Budapest PESTI HIRLAP in Hungarian 11 May 94 pp 1, 5

[Interview with Sandor Lezsak, executive chairman of the Hungarian Democratic Forum, by Istvan Joo; place and date not given: "We Cannot Expect Self-Restraint From the Winner"]

[Text] [Joo] Why was there such a big gap between the expectations of the Hungarian Democratic Forum [MDF] and the result of the voting?

[Lezsak] I do not believe that the country voted against the change of the regime, and not really against us, either. People probably made this decision because of the afflictions and disappointment. I am very sorry that even the Christian Democratic People's Party [KDNP] did not manage to take over and save what was impossible for us to keep because the majority of voters lost confidence in us. We knew that we would reach fewer votes at these elections than in 1990; nevertheless, we were quite wrong in our estimates. It is only now, with hindsight, that we can precisely see that the country felt that it had been unable to have a say in the details of changing the regime. In a period when more than 400 laws had to be passed, dialogue was forced into the background because of the pressure of time.

[Joo] The Alliance of Free Democrats [SZDSZ], which gained the second largest number of votes, now claims that it is the alternative to the Hungarian Socialist Party [MSZP] which has so far dominated by far.

[Lezsak] This is a campaign trick of the SZDSZ. This is the only chance of the Free Democrats to gain many mandates. This is a temporary phenomenon; after the second round, the SZDSZ will be seeking the factors that link it with the MSZP. This is leading directly to their coalition.

[Joo] It is a common occurrence that the big losers of the first round face further difficulties in the second round because many people like to stand by the winners....

[Lezsak] We are over the abyss. It is impossible to make the failure of the first round any worse. We have realistically assessed our possibilities: Every single electoral district that we win can only improve our situation.

[Joo] Will the MDF's basic political attitude change in the new situation? According to some speculations, a move over to the right, and according to others, a move in the liberal direction can be expected.

[Lezsak] We will continue to represent the MDF's fundamental values—this party will remain in the center right. We began to reorganize the MDF in the autumn of 1993. The result of this was that we managed to remain in the contest in more than 100 electoral districts and avoided a total defeat. It seems that we will be the strongest opposition party in the new parliament. The MDF has some experience from the period before 1990. For the first time, a period is starting when we have to fulfill our tasks having gained experience both in opposition and in government. Our main goal is to prevent the situation from falling back to the level of a tamed dictatorship.

[Joo] Will there be another four years, a full parliamentary cycle?

[Lezsak] In the interest of the country's stability, the protection of domestic and Western investments, and new owners, it is essential for the new parliament to operate undisturbed. It would be a crime against the country's security if we questioned these four years.

[Joo] Do you think that the MDF will be given as big a scope for maneuver from the victorious political opponents as they received in 1990 from the MDF?

[Lezsak] I do not think that the MSZP-SZDSZ government will be capable of self-restraint. The negative experiences of the past four years confirm the feeling in me that the discrediting of the MDF and some of its politicians will be continued—now on a governmental level.

[Joo] Do you feel that the MDF is responsible for the fact that the media organs that were fair to it are left without any guarantees for survival?

[Lezsak] We already admitted earlier, not only with hindsight, that the MDF and the government did not have enough strength to create a sound media organization. It has to be acknowledged that, between 1988 and 1990, the MSZP had prepared its media policy for the past four years very professionally. However, we were not incompetent, rather, we were forced to concentrate on other issues.

Smallholders Leader on Cooperation With MDF

AU1105182194 Budapest NEPSZAVA in Hungarian 11 May 94 p 3

[Interview with Jozsef Torgyan, chairman of the Independent Smallholders Party, by Ildiko Horvath: "Will You Extend Your Hand to the Hungarian Democratic Forum?"]

[Text] The Hungarian Democratic Forum [MDF] wants to step to the front of a national cooperation that is rather necessary now to change somewhat the situation that emerged after the elections, MDF spokesman Karoly Herenyi declared recently. He thinks it is possible that the MDF will get in contact with the Christian Democratic People's Party [KDNP] and the Independent Smallholders Party [FKGP] in places where candidates of these parties are still running. We asked FKGP Chairman Jozsef Torgyan, whose party is also interested in driving back the left, whether they are ready to help out the MDF.

[Torgyan] The FKGP thinks that the MDF is definitely responsible for the current situation. We must start from

this premise in developing our strategy. Our party continues to preserve its firm principles which it also preserved in the past years, and this is the condition for any cooperation. Therefore, we see primarily contacts with the KDNP as realistic. Besides, before the second round of elections, we do not have any points of confrontation that cannot be bridged. Certain concrete agreements in some given areas on supporting candidates are naturally not excluded. However, we will not renounce the possibilities of any of our candidates.

[Horvath] The MDF also hopes for such support.

[Torgyan] The policy of the MDF contributed to the tragedy of the national wing. They wanted to destroy the FKGP. By this, they revived the Communists. For any cooperation with the MDF, we need top-level principled coordination regarding the future policy of the two parties. Time will tell whether any cooperation can emerge regarding individual places.

SZDSZ, KDNP Working on Election Pact

LD1205100194 Budapest Kossuth Radio Network in Hungarian 0700 GMT 12 May 94

[Text] The Alliance of Free Democrats [SZDSZ] and the Christian Democratic People's Party [KDNP] are not averse to concluding an agreement on the mutual withdrawal of parliamentary candidates at a local level. This was stated by a leader of the KDNP in reply to a question from Hungarian radio. Tamas Isepy affirmed that he conducted election coordinating discussions yesterday with the SZDSZ's candidate for prime minister [Gabor Kuncze]. He also denied the NEPSZABADSAG report that Gabor Kuncze has rejected any local cooperation.

Candidates from the KDNP are in second place, while SZDSZ candidates are third—or the reverse is true—in several constituencies. This is why both parties have an interest in possibly withdrawing in favor of the other in the second round of the elections, the Christian Democratic politician said.

MSZP Official Interviewed on Minority Policy

LD1105171394 Budapest Duna TV in Hungarian 1400 GMT 11 May 94

[Excerpts] [Unidentified correspondent] I welcome to the studio Csaba Tabajdi, representative of the Hungarian Socialist Party [MSZP] and minority policy expert. The topic of our conversation is the MSZP's policy in connection with the Hungarians living beyond our borders. In the opinion of your party, how important is the issue of Hungarians beyond the borders?

[Tabajdi] I think that what is laid down in our program is clear for every political force in Hungary: Dealing with the Hungarians beyond the borders has to be one of the central elements of Hungarian politics at all times and in all circumstances. [passage omitted]

[Correspondent] Leading politicians in the MSZP have made some statements recently that could be misinterpreted. Let me ask you outright: Is the situation of Hungarian minorities a condition of good relations with neighboring countries?

[Tabajdi] I think that in the past weeks, in the heat of the election campaign, a lot of ambiguous statements were made. However, for me, the statement adopted by the Socialist Party's congress at the end of February is the guiding line. This laid down the three elements of Hungarian foreign policy, which are in coordinated relations with each other. These are: Integration with Western Europe, relations with the neighbors, and the treatment of Hungarians living beyond the borders. We have elaborated in detail in this document our party's minority policy, stating that these three elements are of equal importance. Thus, there is no return to the Kadar era of mocking silence. [passage omitted]

However, we not only disagree with the politics of that time but also with the past four years' government politics. This means that without discarding or sacrificing the issue of Hungarians beyond the border on the altar of bilateral relations, much more should have been done in the past four years for bilateral relations. Let me bring a concrete example, a practical one, for we are very practical; at the moment, Hungary has no valid agreement on investment protection and preventing double taxation with any of her neighbors. [passage omitted]

[Correspondent] [passage omitted] What do you consider more important, the conclusion of basic treaties with our neighbors or settling the situation of Hungarians living beyond the borders?

[Tabajdi] The two are inseparable. [passage omitted] These basic treaties have to answer two vital questions that are the problems of the region; one of them is the question of the borders. [passage omitted] On the other hand, there is a wish on behalf of Hungary—since we have a fait accompli produced by the tragic history of the 20th century—that the Hungarians beyond our border should, within the given conditions, be given the rights of autonomy by which they can preserve their identity. If a basic treaty does not settle these two unsolved issues, it is worthless.

I would like to add, and this is also included in our program, that in the question of basic treaties, coordination has to be carried out with the would-be opposition prior to signing. Prior to ratification, the democratic institutions of the Hungarians beyond the border also have to be involved.

[Correspondent] [passage omitted] How do you evaluate the statement of [MSZP Chairman] Gyula Horn that there is no need for the office dealing with the affairs of Hungarians beyond the borders?

[Tabajdi] [passage omitted] It is debatable how this office should be run, however, it is absolutely necessary. [passage omitted] So, regarding Hungarians beyond the

borders, the new government, shortly after assuming power, has to lay down the basic principles, just as the Antall government did very correctly in 1992. [passage omitted]

[Correspondent] What does the MSZP intend to do with Duna TV?

[Tabajdi] I wrote an article in NEPSZABADSAG on 11 April that a turnabout was needed in Hungarian minority policy. One of the sentences in this article was that despite all the organizational imperfections and personal monopolizing, Duna TV filled a gap of decades. [passage omitted] Obviously, Duna TV has to be maintained. We think that it has to be maintained by the budget. [passage omitted]

Fidesz Chairman Views Electoral Situation

AU1105182094 Budapest PESTI HIRLAP in Hungarian 11 May 94 pp 1, 4

[Interview with Viktor Orban, chairman of the Federation of Young Democrats, by Imre Bednarik; place and date not given: "New Age in Hungary"]

[Text] It is perfectly clear that one of the most important periods of Hungarian transition has ended. A new age is beginning in Hungary because it has become obvious that people's political taste is completely different from what it was four years ago. It is the job of the Federation of Young Democrats [Fidesz] to assess the situation and to launch a new program on this basis, Fidesz Chairman Laszlo Orban told PESTI HIRLAP.

[Bednarik] Do you agree with the statement that the Fidesz is one of the biggest, if not the biggest, loser in the elections because, although it is an opposition party, it did not even manage to reach its 1990 results in the first round of the elections?

[Orban] I agree, but with the note that, nevertheless, it was the government parties that lost most. It is also certain that the Fidesz's performance was way below expectations and in this sense we are indeed the losers of these elections.

[Bednarik] On the night of the elections, reacting to the results, you said that the country wanted a major correction rather than the half-turn advocated by the Fidesz. At the same time, the Fidesz defined itself as a nationally committed liberal center party—as such, it should have found support with the broadest groups of society.

[Orban] Unfortunately, this did not happen. The country's general mood was much more radical that the Fidesz's program. Since we decided not to join this radicalism, our politics had to go against the main drift. This was only enough to get the number of votes we did on 8 May.

[Bednarik] Why did more people support the Free Democrats when the liberal parties had put up very similar programs and they had even coordinated these?

[Orban] I cannot yet give an exact answer to this. Perhaps the Alliance of Free Democrats [SZDSZ] advocated a much more radical change than we did. If, at a discussion, I said half-turn, [SZDSZ prime ministerial candidate] Gabor Kuncze always emphasized the need for a full turn. When I spoke about the danger of restoration of people in their positions, the SZDSZ said that this did not have much chance. The Fidesz distanced itself from the Hungarian Socialist Party [MSZP] much more than the SZDSZ did. Therefore, the differences between the two liberal parties must have been quite clear for the voters.

[Bednarik] Is it possible to maintain the cooperation agreement with the SZDSZ in spite of the fact that this will further damage the Fidesz's final chances?

[Orban] When a party makes an agreement it should adhere to it. Up to now, the Fidesz has adhered to all of its agreements and it does not wish to change this practice.

[Bednarik] How was the Fidesz's failure affected by the fact that, as Fidesz chairman, you conducted a very powerful campaign against the MSZP?

[Orban] This is what is called sailing against the wind. I think that our strong criticism of the MSZP did not have an effect on the Fidesz's election results.

[Bednarik] Then what did?

[Orban] With hindsight, I believe that we did not participate in criticizing the government as powerfully as the MSZP or the SZDSZ. Therefore, the relationship between the Socialists and the Young Democrats did not influence the voters.

[Bednarik] What is the hidden message of the first round of the elections?

[Orban] It is perfectly clear that one of the most important periods of Hungarian transition has ended. From now on, Hungary has a new period in time because it has come to light that people's political taste is different from that of four years ago. It is the Fidesz's job to assess the situation and to create a new strategy based on this, to prepare for analyzing the government program, and to prepare for the local government elections in a few months' time.

[Bednarik] Will the failure have any personal consequences?

[Orban] The mandate of the party leadership is for two years, until 1995. Therefore, in theory, it is not possible to replace people in the party. However, the chairman and all deputy chairmen believe that the elections are an important enough event for the Fidesz also to reconsider its personnel decisions. We are not intending to resign but we will return our mandates if the congress that is soon to be convened wishes to elect new leaders. In this case, we will also overcome the obstacles in our statute which would prevent the changes.

[Bednarik] What happens if the membership decides in favor of change?

[Orban] In that case, I hope that they will find the people who can better adjust to the new situation than we can.

[Bednarik] In view of the election results after the first round, Zoltan Gal, the MSZP's parliamentary group leader, did not exclude the possibility of cooperating with the Fidesz if the attitude of the Young Democrats changed.

[Orban] I remember my late class teacher Geza Rimmel saying similar things. I never took him seriously, either.

[Bednarik] Does this mean that there is still no chance of the Fidesz entering into a coalition with the MSZP?

[Orban) We have not received such a request from the MSZP. I maintain that while I am the Fidesz's chairman, it is not possible to cooperate with this MSZP.

Registration of Hungarist Movement Ruled Out

LD1105164794 Budapest Kossuth Radio Network in Hungarian 1500 GMT 11 May 94

[Text] According to a ruling by the chief prosecutor's office in Budapest, the Hungarist Movement cannot be registered by the court under the prevailing law. The prosecutor's office have informed the Budapest court about this in a letter. The court is to decide on the movement's application for registration in an extrajudicial procedure.

The prosecutor's office drew the court's attention to the fact that the real aims of the Hungarist Movement are demonstrated by its leaders' statements, from which it emerges that they regard Ferenc Szalasi, the leader of the former Arrow Cross movement, as their ideal, and even the name of their organization is identical to the former fascist movement. In the peace treaty concluded at the end of World War II, Hungary undertook an obligation that it would not allow fascist organizations to function.

Strike Continues in Seven Hard Coal Mines

LD1205102294 Warsaw PAP in Polish 0812 GMT 12 May 94

[Text] Warsaw, 12 May (PAP)—At 0900 today the strike continued in only seven hard coal mines, but production is likely to be resumed today. A total of 19 mines were on strike before 0600; production was halted in 13 others and reduced in another six. Miners were still occupying the State Hard Coal Agency building, said its deputy chairman, Henryk Chroszcz.

Strikes continue in Piast and Brzeszcze mines (Nadwislanska hard-coal company) as well as in Jastrzebie, Pniowek, Moszczenica, Borynia, and Zofiowka mines (Jastrzebie hard-coal company).

Daily Reports on Strikes, Talks

WS1105133094 Warsaw RZECZPOSPOLITA in Polish 11 May 94 pp 1-2

[Article by B.C., B.I.W., PAD, and P.W.R.: "Nocturnal Negotiations of Solidarity and Industry Ministry; To Continue or To Suspend?"]

[Excerpts] Approximately 400 miners of the Jastrzebie Coal Partnership began occupying the State Agency for Hard Coal in Katowice; the miners are waiting for the results of the talks that started between the miners' trade unions and the Ministry of Industry and Trade [MPiH] late in the afternoon . Before this, the ministry received information from the Office of State Protection that the Solidarity ["S"] delegation would be accompanied by a large group of miners, who were to arrive on several buses. For fear of occupation of the government's premises, the ministry placed barriers manned with policemen around the building. "S" arrived alone. After five hours, decisions were made concerning three out of the four demands of "S" upon which the miners determine the suspension of the strike. As this issue of the daily was being closed, discussions were under way on the main demand—compensation for lost remuneration for the period of the strike.

On Wednesday [11 May], the "S" National Committee [KK] will decide on the further course of the protest action of the trade union. In the KK Presidium, three options are becoming noticeable.

The strike action may be suspended, and it is also possible that it will be continued. The third possibility is the staging of a one-day nationwide strike following which we will suspend the protests, RZECZPOSPOLITA was told by KK Spokesman Piotr Zak.

Ministry Half Open

It was agreed that next week the ministry will present the trade unions with the economic results of the coal partnerships. Afterward, the demand for the liquidation of wage disproportions among the individual hard-coal mines will be discussed. As was stated by Deputy Minister Herbert Gabrys, concluded were also "far-reaching agreements" concerning the annulment of the resolution blocking wage moves in the mines and the employment policy. According to "S," the resolution conditioned an increase in productivity. Agreement was reached concerning the introduction into the statute of the coal partnerships a provision, in line with which the managements of the partnerships will obligatorily consult with trade unions on all issues that, in line with the Law on Trade Unions and the Labor Code, can be dealt with by them. So far the partnerships have only been operating on the basis of the Commercial Code. Guarantees were to be given and a provision was to be made, whereby employers, as a party, will join the labor collective agreements (so far the parties concerned were the unions and MPiH).

Talks on compensation for the wages lost for the period of the strike continued late into the night. The miners condition the suspension of the strike on their results. Negotiations with the directors of the coal partnerships on the previous day did not yield any satisfactory results. According to "S," strikers might make up for the protest by "increasing their productivity." The government stated that such compensation would be a violation of regulations. Despite that, both parties were close to circumventing them and reaching an agreement, but, according to unofficial information, resistance was put up by the representatives of one of the partnerships that had already signed the protocol stating that the miners would not get any money for the period of the strike. However, if an agreement in this area were reached, the Trade Union of Miners in Poland was going to submit a demand concerning higher wages.

Of the "S" demands, seven were intact, including the one concerning the exclusion of any repressions toward the participants of the strike.

Apart from "S," participating in the talks were also employers and the Confederation of Trade Unions of Miners in Poland, "Cadre," and "S '80." Contrary to the fears of the MPiH, the "S" delegation came to Warsaw without buses full of miners. They were surprised to find barriers and policemen around the ministerial building. However, "S" did not deny that the miners would not come; it would be a joke rather than anything else. The buses went to the occupied agency to replace the miners of the Jastrzebie Coal Partnership with the employees of other partnerships. [passage omitted]

Three Options of KK

The option of continuing the "S" action is backed by the fact that other regions are declaring a strike alert. On Thursday, the Podkarpacie Region, among others, is supposed to go on strike, as well as the Cegielski Factory in Poznan. "Our protest has been going on for months now. Employees may feel tired already. The government adopted the tactics of ignoring the protests. It pretends that nothing is happening. Therefore, it is possible that a

decision will be made suspending the strikes until September. Sooner or later, because of nonimplementation of our demands, there will be social unrest. Then the union will resume the protest," stated Zak. The union's spokesman also did not rule out the possibility that "S" may suspend the protest action only after a one-day nationwide strike and a several-thousand-people demonstration in Warsaw.

Zak also stated that most of the KK Presidium members believe that representatives of "S" should not participate in the work of the Trilateral Commission—"These talks will not yield anything, and the government may say that it is trying to implement demands."

Perhaps the Sixth National Congress of Delegates, scheduled for late June, will be put off until the end of August and the beginning of September. Zak explains that this is because the protest action has decelerated organizational work. According to other sources, "in the nearest months, the leadership of the union wants to work out a strategy for fighting with the present political configuration. Krzaklewski has often pointed out that this fight is planned for months and years. Such important decisions as those concerning a ruthless fight with the leftist configuration must be made by the congress, not by the KK."

"S" decided to sue the government in the International Labor Organization for violating convention No. 122. According to "S," it is not effectively combating unemployment. A similar complaint was filed by the All-Polish Trade Unions Agreement in 1993; however, the union suspended it in January of this year.

Pawlak: 'Good Climate' for Talks

LD1105135494 Warsaw PAP in Polish 1157 GMT 11 May 94

[Text] Warsaw, 11 May—According to Prime Minister Waldemar Pawlak, the "strike atmosphere is dying out," which creates a good climate for direct talks and for resolving problems.

At a meeting with the regional press in Warsaw today, the prime minister stated that the government is anxious to preserve the basic principle of democracy so that all of the major partners-signatories to the enterprise pact would participate in talks. That is why the government is attaching importance to negotiations within the Tripartite Commission, Pawlak added.

Grzegorz Kolodko, deputy prime minister and minister of finance, said that the government will not pay for the strikes. Asked about their costs, he said they are "too great, inadmissible, and unacceptable from a social viewpoint" and that, if they were to continue, all of society would shoulder the burden. Then it would be difficult to return to the previous income tax rates, he added.

In Prime Minister Pawlak's view, in accordance with the law, compensatory pay for the strikes should be paid by trade unions. This has been the case in one of the collieries. "When decisions are made, responsibility for their consequences is needed," he said.

Walesa Answers Questions on Foreign Policy Line

LD1205141894 Warsaw PAP in Polish 1004 GMT 12 May 94

[Excerpts] Warsaw, 12 May—During a news conference today in the Sejm building after a speech by Foreign Minister Andrzej Olechowski, Lech Walesa confirmed that he agrees with the policy line presented by the minister.

The president said that he has been working with Olechowski for some time, adding: "We have discussed those topics; however, we could discuss phrases." According to Walesa, Poland is not threatened by any attack at the moment. However, a lack of strategy, policy, and vision of the functioning of the states of Central and East Europe could be a threat.

The president said that he was not surprised by the Constitutional Tribunal's decision on the dismissal of Marek Markiewicz from the post of chairman of the National Radio and Television Broadcasting Council. He "knew what the law is like and who created it." Walesa said: "It was created by Markiewicz, who knew from me that he would be the chairman, and that is why the law is structured as it is." "However, I thought the courts would view whether everyone in the country is independent and self-governing, and if this really was a balance of power seen in a different way," Walesa added [sentence as received].

In Walesa's opinion, this is not in agreement with the principle of balance, because everyone who has control of the press and television has most of the power, and "may even—as it happened—not broadcast what the president says."

The president said that he is convinced he had to recall Markiewicz because he wanted to stress that "there must not be absurd situations whereby a workman has no money for bread and someone else earns 90 million zlotys, thanks to their independence, and the Council is the cause of such financial contrasts."

The president expects from every chairmen of the council "harmony and cooperation."

Walesa declared himself in favor of wage control in the economy, but, as he said, he did not block the earlier law so that he could sign one that is as "weak" as the new one. "I wanted to force the government to work out ideas tested in the world. So far, I cannot see anything new in this law, and my aim has not been achieved," Walesa said. [passage omitted]

Asked if he would take up the role of mediator between the government and strikers, he said that, at the moment, "there is no need for the president to participate in what is happening." A proposal to mediate could be seen as

the president "wanting to heat up the atmosphere" and "score points," said Walesa.

Poll Shows Majority Support EU Integration

WS1105145294 Warsaw GAZETA WYBORCZA in Polish 11 May 94 p 2

[Article by "(jap)": "CBOS; Europe, Europe"]

[Text] Almost every second Pole would like to wake up tomorrow in a united Europe—so suggests research conducted by the Public Opinion Research Center [CBOS].

In March 1994, integration with the European Union [EU] was backed by 70 percent (three years ago it was 80 percent). Jacek Syryusz-Wolski, a government expert on integration, says comfortingly that we are more pro-European than the Danish—members of the Union. Experts warn, however, that the EU's rating will drop unless the Common Market opens up to commodities from Poland.

Of the respondents, 40 percent believe that we should join the Union of Twelve right now. Every fourth respondent would prefer to wait five years.

At the same time, Poles seem to be forgetting about the EU: Right now, 80 percent know what it is, whereas a year ago 86 percent knew. Only 17 percent of respondents knew about the Maastricht Treaty, which established the Union. More than half of all respondents were not able to answer this question.

Advocates of Poland's integration into the EU are private entrepreneurs, managers, and school and university students. Indifferent to the EU or negatively disposed to it are peasants, inhabitants of rural areas, elderly people, and people with elementary education.

The research was conducted in late March on a representative sample of 1,230 adult inhabitants of Poland.

Defense Official Discusses Changes in Army

WS0905113094 Warsaw RZECZPOSPOLITA in Polish 9 May 94 p 2

[Article by Zbigniew Lentowicz: "To Live an Officer's Life"]

[Text] The end of the stereotype that is expressed in the well-known saying "Not a diploma, but willingness will make you a good officer" is announced by Roman Harmoza, new head of the Cadres Department of the Ministry of National Defense [MON]. "Within four to six years, the number of officers will be considerably decreased (currently we have 43,500 officers, which is 49 percent of the cadres). We will again have the summit of the hierarchical pyramid, which will be different, more noble," declares the general.

According to the plans of the General Staff, at the end of this century half of the Polish Army should consist of professional soldiers. The most numerous group—over 40 percent—among the "professionals" will be noncommissioned officers, who, as it is in the U.S. Army, for instance, will carry the main burden for the direct training of soldiers.

The officers (30 percent) will deal primarily with the martial arts: They will carry the burden of commanding; they will be on the staffs; they will leave the offices of military administration, doctor's offices, and entire large sections that are full of colonels today. Backup services in the Army will be headed at some time by civilian managerial cadres.

"I do not envision a sudden reduction of officers," stresses General Harmoza. "Every year the computer will tell me who has already done his stint in the Army and should leave. A few years ago, an officer who desperately wanted to leave the Army had to do almost impossible, often half-legal things in order to be able to go. Today it is enough if he simply puts in a written request."

In recent years, one has seen a growing longing for the prewar ethos based on the aura of "defender of the homeland," the feeling of one's own value, being different from other professional groups, sometimes contemptuously referred to as "civil bands," as well as observing the "gentleman's" code. The supporters of a fast restitution of this special tradition of the Second Republic cannot easily cope with the difficult reality. Very persistent is the 40-year-old hunchback, caused by the conscious creation of a plebeian army and the constant advertisement of the model of "an officer—a man from among the people." The deeply rooted opinions about the Army, which is servile toward the political elites, which is associated not only with the security of the state but also with that of the governing party, have resulted in an alienation of the officers. The depreciation of the once-knightly profession increased even further as a result of the imposition of martial law. Incidentally, quite interesting is the disproportion between social trust for the Army as an establishment (76 percent, according to the Center for Research on Public Opinion) and a mere 35-percent approval for the profession of the officer (data are from the end of last year).

The general says: "Now we intend to restore the balance, which was twisted in the past, in the sphere of customs. In the past, the removal of the borders between hierarchies served the purpose of compensating for meager salaries. The 'new policy' in the Army will therefore mean, among other things, that, because of the respect for rank, noncommissioned officers will not be admitted to commissioned officers' messes and vice versa. The custom of meetings in small groups is reviving most visibly in small garrisons. "The situation would be better if not for the prices, which are still rather high for

officers. However, it is good that the price of music has not gone up that high," Gen. Harmoza left this comforting news for the end.

PSL Leader Sets Out Economic Aims

PM1105124594 Lodz GLOS PORANNY in Polish 30 Apr-3 May 94 pp 1, 4

[Article by Professor Wieslaw Piatkowski, chairman of the Polish Peasant Party Supreme Executive Committee: "Market Economy—Yes, but With a Difference"]

[Text] There are two main questions at issue in the Polish Peasant Party [PSL] report and program-formulating campaign. The first is to sum up the work of our organizations during the period under review and to obtain their opinions concerning our program tasks. The second question entails the following objectives: to assess the extent to which our program was realized during the period under review (on both the global and local scale); to formulate recommendations concerning the realization of our program (also on the global and local scale), which could be linked to proposing suggestions for a review of individual points in the program. It is the second question that I propose to discuss here.

I believe that the best method to use will be the comparison method: We should compare our program with the tenets of the coalition agreement and then compare both these documents with the declarations of the coalition government and its actual policy. Of necessity, this should be done concisely, so the present publication does not pretend to be an exhaustive presentation of its subject.

Economic Revival and Struggle Against Unemployment

Both the PSL program and the coalition agreement accept the general tenets of the market economy and stipulate the following goals: revival and consolidation of economic growth; increased competitiveness of the Polish economy; priority status for a campaign against unemployment; and, to quote, "a different approach (from our earlier policy) to the social welfare policy and a just distribution of the necessary hardships to be borne by different social and income groups in the course of the process of reforming the economy." The following principle has been formulated: "The social welfare policy will be treated not as an onerous appendage to the economy but as a precondition for its development." These tenets can be described as the overall objectives of the economic transformation.

The above aims are accompanied by stipulations whose realization will be of instrumental significance in achieving the overall objectives. The stipulations, which are also included in our program, are: to repair the condition of the public finance sector; to develop an industry policy; to selectively protect the domestic market; to stimulate investment and export initiatives (with the help of investment allowances and credits); to reduce enterprises' debts; to accord equal treatment to the private and public sectors of the economy; to enforce financial obligations toward the state (by refusing to tolerate the so-called gray zone); and to work out a "strategy for economic growth and development."

These shared ideas of our own program and the coalition agreement have found reflection in the economic policy pursued by the coalition government. This is shown by the 1994 state budget. After all, its characteristic features are: orientation in favor of the development of production, investment projects, and exports, with the associated investment concessions; tax concessions linked to the creation of new jobs in regions threatened with particularly high unemployment; the more than threefold increase of the upper limit of State Treasury credit guarantees; the threefold increase of funds allocated for the promotion of exports; increased funds for industrial restructuring (concentrated mainly in the coal- and sulfur-extraction sectors); increased funds allocated for additional financing of interest liabilities on preferential credits to agriculture; the halting of the decrease in expenditure earmarked for the budget-funded sector; an increase of the lowest disability and old-age pensions; increased expenditure on social welfare assistance schemes; development of new forms of active antiunemployment measures, including emergency and public works.

The Guiding Principle

All of this should be made common knowledge among delegates to report congresses. Therefore, the above questions should be presented by competent specialists who are thoroughly conversant with the PSL program and ideological principles, the contents of all coalition agreements, the Sejm acts, and government policy. They should be able to demonstrate that government policy is subordinate to the specific leading concepts ensuing from our program and from the coalition agreements. However, this by no means implies that we should suspend our possible criticism of that policy.

On the other hand, it is necessary to contest the view that the PSL allegedly promised a very rapid improvement in the population's material circumstances if it won an election victory and participation in the government. The PSL maintained consistently that all that could possibly be achieved on a short-term basis would be a rationalization of the economy that would not create a sufficient foundation for any significant improvement of the working people's situation, and that such chances would have to wait until a long-term economic program was first worked out and then put into practice. The same position is held by the Democratic Left Alliance [SLD] and the coalition.

Our Attitude Toward the SLD and the Coalition

Discussion of these topics entails the question of our fundamental position regarding the SLD, including the Social Democracy of the Polish Republic [SdRP]. This should be defined by two factors: the PSL's attitude

toward the doctrine of social democracy, which is expressed in our Ideological Declaration, and the requirement that we cooperate with the social democrats in the interest of keeping a center-left government.

Let me recall that our Ideological Declaration states clearly the following: "The ideology of the Polish Peasant Party endorses selected aspects of the doctrines of social democracy and democratic socialism. This is because the policy of agrarianism is characterized by a similar sensitivity to questions of social justice and exploitation, political and economic democracy, public self-government structures, the forms and functions of ownership, and the socialization of the economic management processes." It follows from this that our potential criticism of the SLD cannot be construed as arising from the fact that the latter adopts a social democratic—or, in this context, leftist—orientation. It follows further that our possible criticism of that formation would be more justified if it were seen to betray the ideals of social democracy than if it actually cultivated these ideals. There are, in fact, some grounds for asking whether the SdRP is, on certain occasions, true to the social democratic doctrine.

It is worth recalling that, in the light of its Ideological Declaration, the PSL is a center-left group. It follows from this that any potential right-oriented sympathies on our members' part would be incompatible with the PSL's ideological principles.

The requirement of cooperation with the social democrats in the interest of maintaining a center-left oriented government is quite obvious. In such a coalition, the PSL is able to preserve its ideological identity. A coalition with right-oriented groups would result in a significant curtailment of the realization of our program and could even lead to a denial of the PSL's ideological identity.

Where there are any differences of opinion between the PSL and the SdRP, it is necessary to apply every effort of will to overcome these differences. I believe that this is always possible on the basis of a rational (as opposed to emotional) set of arguments. The rationality of the arguments should rest on the ideological principles of both groups.

As regards progress in implementing our program, it is also worth noting certain associated restrictions formulated in the coalition agreement.

The agreement contains the following statement: "As for our predecessors, we differ from them not so much in our formulation of the general economic objectives as in the methods, tactics, and means we recommend for their realization."

It could, of course, be said that the coalition intends to create a market economy just as the former Solidarity-derived governments did. However, the particular models of that economy vary in each case, and this should reflect the fundamental difference between the aims adopted by the Solidarity governments (which were right-oriented) and the center-left governments.

This very difference in the respective governments' aims should find its expression on the plane of forging economic relations—that is, so-called ownership relations—and distribution relations specific for the coalition. On the first point, there is no full consensus between the PSL and the SLD, so we should strive to work out an agreement in this matter as soon as possible. Here we must be guided by the idea of mixed ownership, which stands in direct contrast to the absolute value placed on the capitalist concept of ownership.

The question of relations of distribution requires a deeper treatment. The coalition agreement states: "The state must seek to alleviate the sharp contrasts between the incomes of various social groups inherent in the essence of the market economy, and, in particular, it must counteract the spread of areas of destitution in our society." Our objective here is not solely to alleviate the differences in peoples' incomes. A center-left government should by definition be guided by the principle of significantly reducing the imbalance in the distribution of national income; it should also seek to exert influence on the very model of the relations of distribution in the spirit of social justice.

Learning and Labor Before Capital

In his 29 December 1993 Sejm address, the prime minister said, among other things: "It is necessary to restore balance in Poland so that learning and labor take precedence over capital.... It is our duty in a civilized country to ensure prosperity for society as a whole, and not just for select elements of society, even if the latter demonstrate the utmost economic activity." I believe that this is precisely the spirit that should influence the shaping of government policy.

I should like to recommend that we base the long-term strategic government program on the fundamental principles of agrarianism (and, by the same token, on John Paul II's social teaching, on which we draw in our Ideological Declaration).

This question should also be accorded particular attention at the PSL's future report congresses.

Kolodko Outlines Fiscal, Tax, Budget Policies

WS1205092894 Warsaw GAZETA WYBORCZA in Polish 12 May 94 p 3

[Article by "wk," "ski," and "dom": "Mother Stabilization"]

[Text] According to Grzegorz Kolodko, deputy prime minister and finance minister, to achieve a stabilization that is to be the mother of Poland's economic success and to maintain the growth rate, one must construct fiscal policies in a way that is conducive to the people

saving more money. But "the government is still not clear on how to accomplish that."

"If it were not for last year's strikes, the government or parliament would not have to raise taxes," Minister Kolodko said during a meeting with regional press journalists. "Those who decide to be on strike must know that they do it at the cost of those who work hard at the very same time."

The new chief of finance is eager to see a comprehensive tax law and banking law: "We must continue to send messages to business people that it pays to invest and that they will have to overcome fewer unnecessary problems in the future," Kolodko said yesterday.

He also announced that there are no plans to raise the rates of indirect taxes (VAT [value-added tax], the excise tax, and customs duties). But he wants to have a situation where more companies than now would pay taxes, with all types of breaks and waivers being documented exclusively with VAT receipts. This would limit the economic "gray area."

Minister Kolodko also anounced that monies for 20,000 job openings in the customs police will be found in the near future, and "then we will get real serious on that." Tax obligations due from enterprises will be collected with more efficiency: "We will act much the same way as the mighty ones from the London or Paris Club act with relation to Poland."

Minister Kolodko intends to change the principles of the zloty's devaluation "sooner rather than later"—the dollar will get more expensive at a slower rate (the monthly rate right now is 1.6 percent). According to Kolodko, this would reduce the inflation rate.

Minister Kolodko does not plan to make any amendments to this year's budget, despite the fact that revenue is higher by a few trillion zlotys [Z] compared with initial plans, because he fears that "there may occur a reversal of the situation."

Kolodko believes that, in three years' time, he will manage to foster a significant reduction in the budget deficit—that is, to a level of about 2 percent of the GDP. This year's Budget Law provides that the budget deficit will be Z83 trillion, which is about 4.1 percent of the GDP. Kolodko also portrays himself as "a fervent enthusiast of privatization." But he expressed criticism of privatization policies conducted by recent governments because "enterprises were sold too cheaply and, because of that, the state budget was losing 5 percent of the GDP per year."

Minister Emphasizes Importance of Privatization

AU1105130594 Munich SUEDDEUTSCHE ZEITUNG in German 11 May 94 p 25

[Article by "old" on interview with Privatization Minister Wieslaw Kaczmarek in Warsaw; date not given: "Poland Trying To Win Investment From Germany"]

[Text] Warsaw—"German companies are still very cautious in Poland. We would like far more involvement." Wieslaw Kaczmarek, the new minister for privatization in Polish Prime Minister Waldemar Pawlak's Cabinet, considers the Polish market of 38 million potential consumers an "enormous opportunity" for foreign investors. Compared with the total direct investment of some $3.5 billion, Germany, at some $280 million, ranks only fourth behind the United States, Italy, and the Netherlands.

"The Czech market has long been depleted. Now it is Poland's turn," the minister said in an interview with SUEDDEUTSCHE ZEITUNG. He was referring to a 4-percent growth last year, which boosted Poland to the top of the East European states. This year's growth is expected to reach at least that figure.

The leftist government does not feel committed to any ideological concepts, Kaczmarek pointed out. "Privatization can no longer be stopped. We are long past the crucial point. Poland will stick to its market economy course," the minister said. He himself is a member of the Social Democratic Party, the party that is generally considered to be the successor to the communist cadre organization. Today, young technocrats who are committed to the market economy are in control.

Kaczmarek pointed out that he wants to step up the speed of privatization. "We have to take more risks," the minister said. Especially medium-sized companies that are still state-owned and employ up to 500 people shall be sold "quickly and cheaply." The German Trust Agency is to serve as a model. Kaczmarek: "We may very well sell the companies at one-fifth of their actual value. What is more important is that the investors create new jobs."

The bold minister candidly admits that further privatization meets with massive reservations by the population and the trade unions. The fear of losing jobs is just one side of the coin. At the same time, the fear of selling off Poland to foreign combines is increasing. "We can only counteract this by presenting good solutions for privatization," Kaczmarek emphasized.

The government is taking a more cautious line with big companies, such as the Ursus truck company, where there have repeatedly been conflicts with the Solidarnosc trade union. Ursus is to be restructured and reorganized. "Privatizing it is impossible at the moment," the minister said.

Ten largely independent joint-stock companies are to operate within a holding company in the future. There will be some foreign capital involved, but the trade union insists on employees holding at least 50 percent of the shares. Despite efforts by the Ursus management to step up marketing activities, capacity utilization is only 50 percent. The 9,500 employees—in 1989, the group still

employed 15,000 people—produce everything themselves, starting from bolts and going to diesel oil filters. This wide production range prevents the urgently needed rise in productivity.

Privatization Minister Kaczmarek thinks that a total of 1,500 to 2,000 big companies still have a difficult restructuring phase ahead of them. The first step is changing these firms into joint-stock companies. The government is also hoping for foreign financial and management aid. "The only realistic solution is the long-term privatization of big companies, which must, however, fetch a good price," the minister said.

The private sector already accounts for 50 percent of the GNP. Together with the Czech Republic and Hungary, Poland holds a top position in East Europe. Some 60 percent of all people in gainful employment, including agriculture, work for private enterprises. But there is still a long way to go until privatization is completed. So far, some 2,300 of the 8,450 former state-owned companies have found a new owner. In a so-called mass privatization, 470 firms are to be divided up into 16 or 17 investment funds, of which the population can obtain shares.

Kaczmarek wants to complete the reprivatization of companies by the end of 1995. A law on returning possessions expropriated under the communist government is being worked out. According to Kaczmarek, 400,000 applications have been received—from a water mill to a textile factory. Claims amount to 30 billion German marks, Kaczmarek said.

Vacaroiu Interviewed on Domestic, Foreign Issues

PY1105151994 Rio de Janeiro O GLOBO in Portuguese 10 May 94 p 18

[Interview with Romanian Prime Minister Nicolae Vacaroiu by an unidentified correspondent; place and date not given]

[Text] [O GLOBO] How is the Romanian program of economic reforms getting along?

[Vacaroiu] The revolution in December 1989 marked not only a break with the totalitarian regime; it also launched a process of radical transformations in political relations. It thus established the basis for a democratic state of rights and for an economic reconstruction based on market mechanisms.

In November 1992 we began to implement a social economic strategy that will be in force until 1996. In 1993 the government adopted measures to speed up the reforms by deregulating prices, eliminating subsidies on some goods and services, and introducing the goods movement tax. In industry, privatization provoked new steps and stimulated the activities of medium and small enterprises.

[O GLOBO] How can bilateral economic relations be developed?

[Vacaroiu] Bilateral trade last year totaled $54 million and this does not satisfy us. Our two countries recently signed the Economic Cooperation and Trade Accord, which eliminates the old compensation system and allows economic agents to sign import and export contracts within the context of the free market economy. Romania is interested in balancing its trade with Brazil. We hope to resume exporting Romanian-made railroad cars and tractors. We will continue to export fertilizers and plan to sell cars manufactured in Romania on the Brazilian market. We will import Brazilian iron and manganese ore, soybeans, and other products.

Romania has an increasing interest in investing in Brazilian companies; the number of Romanian-Brazilian mixed capital companies has increased to 15, and their capital totals nearly $50,000.

[O GLOBO] What has the Romanian Government been doing to improve the people's standard of living?

[Vacaroiu] The economic reform has had a high social cost and made an already precarious situation even worse. The end of the economic decline in 1993 and the recovery expected for 1994 will allow the people to improve their standard of living in the second half of this year. The government is adopting social protection measures for all strata of the population, especially the most destitute. Salaries and pensions will be protected from inflation by deindexation and we will reduce the imbalance between them.

[O GLOBO] What are the main objectives of the Romanian privatization program?

[Vacaroiu] For us, 1994 is the privatization year. By the end of 1993, the State Asset Fund had privatized 270 commercial corporations; 142 were privatized during the first months of 1994, and 100 more still have yet to be privatized. Another 2,000 commercial enterprises may be transferred to the private sector. The people will be able to buy shares of these companies or exchange certificates they already have for shares.

[O GLOBO] How are representative democracy and political participation getting along?

[Vacaroiu] The Constitution grants all citizens full democratic rights. We have a multiparty system. Romanians are interested in politics—as a result of our Latin temperament, sometimes too interested. Compared to countries like the former Yugoslavia and the USSR, Romania is an island of stability in East Europe.

[O GLOBO] What about bilateral cultural exchanges?

[Vacaroiu] We signed a five-year accord for cultural cooperation in 1991, which must be extended. For example, two works of Brazilian literature were translated into Romanian in 1993 (Antonio Olinto's "Copacabana," and Erico Verissimo's "The Time and the Wind"), and an exhibition of Romanian rugs in several regions of Brazil. In 1994, the National Theater of the city of Craiova will tour Brazil.

[O GLOBO] What advantages does Romania offer foreign investors? Are Brazilians investing in Romania?

[Vacaroiu] Our laws allow the establishment of commercial enterprises with 100-percent foreign capital, ensure there is no discrimination against foreign participation, and offer guarantees against expropriation. All regions and sectors of the country are open to foreigners, except the materiel industry, the manufacture of explosives, and the manufacture of psychotropic substances.

The Romanian Government stimulates investments through tax exemption for two to five years. We are, therefore, awaiting Brazilian investors.

[O GLOBO] Romania may be needing know-how [preceding word in English] in fields like managerial training, marketing [preceding word in English], quality control, market research, industrial modernization, administrative decentralization, and management of public works. Brazil has universities, organizations, and professionals specialized in these fields. Brazil can thus help the Romanian Government and the Romanian state-owned and private enterprises. Will you seek this sort of assistance?

[Vacaroiu] My objective is to visit these sectors and seek this sort of cooperation. The evolution of the bilateral trade relations is marked by integration processes that are currently under way in the South American continent

as well as in the European continent. Romania wants to benefit from the valuable experience of other countries, including Brazil.

'Orchestrated' Campaign Against Nastase Viewed

AU1105195294 Bucharest COTIDIANUL in Romanian 9 May 94 p 3

[Editorial by Liviu Ioan Stoiciu: "Ion Iliescu Attacks From the Rear"]

[Excerpts] We are not doing very well; there is something "in the air," a kind of nervousness which cannot be properly explained. [passage omitted] The amazing thing is that our chosen ones at the top of the political pyramid at home are doing pretty badly too. Nevertheless, it is not their health that is giving them trouble! They are faring rather badly in the "internal" struggle for power that is being waged in silence. In their endeavors to strengthen their current positions, they are making the others suspicious! The one who is pulling the most strings is none other than Romania's big brother, Ion Iliescu, the republican of the Central Committee of the "reformed" Romanian Communist Party [PCR], who takes great care to ensure his certain perpetuation as the country's president. [passage omitted]

In the last few days, Ion Iliescu treacherously administered a death blow to his "disciple," Adrian Nastase [speaker of the Chamber of Deputies and executive president of the Social Democracy Party of Romania, PDSR] who has grown too big for his boots, who has become too "famous" (obviously Ion Iliescu has not forgiven him the fact that he enjoys the most support from the electorate, as revealed by a recent public opinion poll widely disseminated in the media—maybe that was the cause of all his misfortune), and who has accumulated too much political capital through his positions in the ruling party and the Chamber of Deputies, of which he is the leader, something that makes him omnipresent to the public at large, thanks to television and radio coverage. Therefore, it is not accidental that the government took care to splash on the front page of ADEVARUL of 27 April (when Adrian Nastase was abroad) an article entitled: "How Mr. Nastase Got Hold of Several Houses." From that article, we learn that the current president of the PDSR, of the Chamber of Deputies, and even of the Romanian Diaspora (reunited at a recent Congress in Baile Herculane—this is how far the political paranoia of accumulating as many functions of president as possible can go!) is nothing but a second rate Mafioso, who is illegally acquiring villas through intrigue and is also involved in various profitable shoddy deals—under the cover of relatives—with cosmetics, pubs, and shops, thus forcing the state's hand!

All of a sudden, the readers realized who Adrian Nastase—the man who dreams of becoming Romania's president—really was: a "cheat with functions," capable of resorting to any abuses to satisfy his own interests. All of a sudden, we all reminded that Adrian Nastase (his father-in-law is the former nomenklatura man of the Nicolae Ceausescu regime Angelo Miculescu, who is obviously a big businessman today—you realize what kind of world Nastase belongs to) is the one who has definitively betrayed Romania, along with Ion Iliescu, by signing the perestroyka treaty with the Soviet Union after the revolution, in his capacity as minister of foreign affairs. [passage omitted]

Last week, another significant article against him was published in ROMANIA LIBERA on 4 June by the alleged "independent" Antonie Iorgovan (another slimy apparatchik, currently judge at the Constitutional Court) entitled: "About the Cockiness of the Power's People and Their Lack of Restraint." [passage omitted] Driven hard into a corner, Adrian Nastase stated two days later that everything happening to him is a "new press campaign against me." A press campaign orchestrated by whom? Does he mean that our larger-circulation newspapers have also joined the early electoral campaign against Adrian Nastase and have nothing else to do than tow Ion Iliescu's line? Well, if this is the case, we are going through some pretty hard times ourselves. It seems that the Gods are still deserting us...

Albania's Berisha Arrives on Official Visit

AU0905200494 Bucharest Radio Romania Network in Romanian 1900 GMT 9 May 94

[Text] Sali Berisha, president of the Republic of Albania, arrived on an official visit at about 2120 today at Otopeni Airport. This visit, which is the first ever by a head of the Albanian state, is an extremely important event in the relations between the two countries, relations that, in an interview granted to us before he had left his country, President Berisha termed as friendly. During the visit the Friendship and Cooperation Treaty between Romania and Albania will be signed, as well as other conventions intended to establish, as President Berisha said, the legal basis for our close cooperation.

The Albanian president is accompanied by Finance Minister Piro Dishnica, Maksim Konomi, chairman of the Science and Technology Committee, and other officials.

Upon his arrival, the president of Albania was met by a honor mission headed by Dan Mircea Popescu, state minister and labor and social protection minister. The official reception of President Berisha by Romanian President Ion Iliescu will take place tomorrow morning at Cotroceni Palace.

Berisha Meets Iliescu, Lays Wreath

AU1005114194 Bucharest Radio Romania Network in Romanian 1000 GMT 10 May 94

[Text] An official ceremony took place this morning at Cotroceni Palace during which President Ion Iliescu welcomed the president of the Republic of Albania, Sali Berisha, who is making a visit to our country. The talks between the two presidents were followed by an official

dialogue between the two delegations, which include members of the two governments and high-level state officials of the two countries.

President Sali Berisha attended a wreath-laying ceremony at the Monument to the Unknown Soldier before holding a meeting with representatives of the Cultural Union of Albanians in Romania at the Albanian Embassy in Bucharest. Talks between the Albanian president and the president of the Chamber of Deputies and visits to the Parliament Palace and the National History Museum in Bucharest are scheduled for this afternoon.

This evening Iliescu will host an official dinner in honor of the Albanian president. A treaty of understanding, cooperation, and good-neighborliness between Romania and Albania will be signed tomorrow at Cotroceni Palace, our correspondents have reported.

Relations, Regional Issues Discussed

AU1005185494 Tirana TVSH Television Network in Albanian 1635 GMT 10 May 94

[Telephone report by Shpetim Roqi from Bucharest]

[Text] After visiting Hungary the Albanian delegation headed by President Berisha arrived in Romania last night. The official welcoming ceremony was held at Cotroceni Palace this morning. Presidents Berisha and Iliescu then held a tete-a-tete, and at 1000 both delegations held official talks.

Taking the floor, Romanian President Ion Iliescu thanked President Berisha for the visit to Romania and considered it an important step for the further development of political relations and economic cooperation. He made explained the economic situation in Romania and the reforms undertaken on the road to a market economy. He pointed out that alongside the historic ties that exist between our both countries it is high time to strengthen the economic and political cooperation that is mutually advantageous to countries that have just emerged from fierce dictatorships.

President Berisha briefed President Iliescu on the course of reforms in Albania. He stressed that despite the unfavorable geopolitical situation, the results of reform are positive.

Regarding the situation in the Balkans, he stressed once again that the main question in the Balkans is the Albanian question. Albania does not support a change of borders through violence, but demands democratic space for Albanians and freedoms and rights pertaining to them from the Helsinki Charter. As long as Albanians demand the implementation of CSCE principles, the international community and the region should be seriously engaged in solving their problems. The idea that Kosova is Serbia's problem is a half-baked idea and seeks to provoke conflict, President Berisha stressed.

All Balkan peoples have their own national problems, but no one wants to resolve them through war, as Serbia does. If Serbia does not give up the idea of Greater Serbia, Belgrade will involve the whole region in a war. The division of Kosova or Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] is equal to conflict. Milosevic's refusal to conduct a dialogue with the legitimate representatives of 2 million Kosova Albanians is absurd. We support dialogue in the presence of a third party. It is within this framework that we assess the efforts by British Minister Hogg during his last visit to Belgrade and Kosova.

I am convinced, President Berisha continued, that an acceptable solution can be found. However, since the situation is equivalent to a time bomb, this runs the risk of turning into a conflict that includes not only Albanians.

President Berisha then held a warm meeting with representatives of the Cultural Union of Albanians in Romania at the Albanian Embassy.

In a meeting with reporters, President Berisha stressed that to continue the dialogue to resolve problems and improve relations with Greece, we intend to propose another meeting of the foreign ministers of both countries in Tirana. We see the Zurich meeting as positive, because both ministers expressed their clear willingness to improve the relations. We hope that this willingness and predisposition will be further strengthened and that they will yield fruit.

Berisha Requests Support on CE

AU1005194494 Tirana TVSH Television Network in Albanian 1800 GMT 10 May 94

[Telephone report by Shpetim Roqi from Bucharest]

[Text] President Berisha was received this afternoon at the Chamber of Deputies by Chairman Adrian Nastase and Senate Vice President Ioan Lup. President Berisha acquainted the Romanian parliament representatives with Albania's achievements in the field of legislation. There exists greater cooperation possibilities with Romania, he said, not only in the field of economy and politics but also between our parliaments.

President Berisha noted that we are for dialogue between Prishtina and Belgrade in the presence of a third party. For this, we demand that you insist that Belgrade enter a dialogue. President Berisha also requested Romania's support for Albania's full membership to the Council of Europe [CE], since Albania long ago fulfilled conditions for this membership.

For their part, the Romanian representatives said that they feel close to Albania and regard cooperation with the Albanian parliament highly. They assured President Berisha that they will strongly support Albania's full membership in the CE. The meetings are to continue this evening and tomorrow morning.

Berisha's Activities Reported

AU1205062694 Tirana TVSH Television Network in Albanian 1800 GMT 11 May 94

[Telephone report by Shpetim Roqi from Bucharest]

[Text] Last night Romanian President Ion Iliescu hosted an official dinner to honor President Berisha at Cotroceni Palace. In exchanging greetings, both presidents expressed the desire and goodwill to further develop bilateral relations. Worried about the situation in the Balkans, both presidents committed themselves to prevent, through diplomatic policy and dialogue, the spread of conflict and work for the stability in the region.

This morning President Berisha started his activities with a visit to a small church, more than 200 years old, in the center of Bucharest, which for a long time was known as the Albanian Church, called Dintrozi [as heard] in Romanian.

Addressing the priest of the church, President Berisha said: I have come here to visit this church, which is a great symbol for all Albanians, as Archbishop Fan Noli, one of the most distinguished figures in letters, the church, and the Albanian political world, addressed his prayers here. I have also come here because I pray to God to bless Albania and Romania, and Albanians of Romania, including Viktor Eftimiu, along with many other Romanian personalities of Albanian origin.

Meanwhile, the daily newspapers of Bucharest and the radio and television continue to publish and broadcast news on the visit of President Berisha in Romania. At 1100, Berisha gave an exclusive interview for Romanian Television. After that, Berisha held a meeting with Emil Constantinescu, leader of the Democratic Convention. At this meeting Berisha acquainted his interlocutor with developments in Albania, stressing the achievements of the shock therapy and a group of completely social measures.

Honoring the sublime act of the martyrs of Timisoara, Berisha said: They not only gave their lives against Ceausescu's dictatorship, but they shook the foundations of dictatorship in Albania and encouraged Albanians to raise and liberate themselves from it. They will always be honored in Albania.

President Berisha also expressed thanks for the help that is being given to Albanian students in Romania, as Constantinescu is rector of the Bucharest University and dean of the Romanian rectors.

For his part, Mr. Emil Constantinescu said that we in Romania need the Albanian experience, as it is more important to know than the experience in other countries as the United States or Germany. Our countries have suffered from fierce dictatorships and the transition started under grave conditions. That is why we are interested in getting acquainted with the Albanian experience. Your visit here offers a very good opportunity.

Regarding President Berisha's request for supporting the Democratic Party membership in the European Democratic Union, Constantinescu committed himself to render his contribution. President Berisha also gave an interview for the largest opposition paper, ROMANIA LIBERA.

Croat-Muslim Talks Reach 'Successful' End

LD1105180294 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 11 May 94

[Text] After five days of negotiating at the U.S. Embassy in Vienna, the Croat-Muslim talks on the implementation of the Washington agreement have come to a successful end. The federation's external borders have been fixed, insomuch as the Croat and Muslim demands to the Serbs and to the international community are concerned. The internal cantonal organization, as well as the organization of the federation's and the government's leadership, have also been agreed upon.

The reports we have received say that the federation will have eight cantons, but it has not yet been agreed which ones will be purely Croat and which ones purely Muslim. All that is known is that four will go to the Muslims and two to the Croats. Some reports say that the Croatian cantons will include western Herzegovina and upper Posavina. Two cantons will be mixed. Tihomir Vinkovic has this report:

[Vinkovic] The agreement will formally be signed in Geneva on Saturday, 14 May. Kresimir Zubak, head of the Bosnian Croat delegation, said after the talks that the first president of the Bosniak-Muslim federation for the period of six months will be a Croat, while the first prime minister will be a Bosniak. Six of the 17 government ministries will go to Croats. The federation will encompass 58 percent of the territory of Bosnia-Herzegovina over eight cantons. Croat people will constitute a majority in two cantons, Muslim people in four, while two will be mixed. The mixed cantons—one in central Bosnia with a seat in Travnik, and the other in the Neretva River basin with a seat in Mostar—will be administered on a parity basis in accordance with the 1991 census.

Zubak thanked the U.S. Embassy for its good services during the talks. He also thanked U.S. mediator Charles Redman and U.S. Ambassador to Bosnia-Herzegovina Viktor Jakovich.

Bosniak leader Haris Silajdzic said that this is a major step toward a peaceful solution to the crisis in Bosnia-Herzegovina. It is also a major step toward the preservation of the territorial integrity and sovereignty of Bosnia-Herzegovina, Silajdzic added. He expressed hope that not just Croats and Bosniaks, but also all those who consider Bosnia-Herzegovina as their homeland, will work toward the implementation of this agreement. He assessed the internal borders to be very democratic. Silajdzic also said it was a provisional agreement that will be submitted for adoption to the Bosnia-Herzegovina Assembly.

Asked by a journalist whether the Serbs would agree to return part of the territory they had conquered so that the Croat-Bosniak federation could encompass 58 percent, Silajdzic said he hoped for help from the international community, which will not tolerate genocide.

As a confederal partner, I wish to congratulate Bosniaks and Croats on the serious talks and the agreement that I witnessed, Croatian Foreign Minister Mate Granic said. It is in Croatia's interest that this agreement is implemented, Minister Granic said in conclusion.

Text of Federation Agreement

LD1205105794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0600 GMT 12 May 94

[Text] We begin this newscast with the full text of the agreement on the Bosnian-Croat federation.

In accordance with the resolutions of the constituent assembly of the Federation of Bosnia-Herzegovina, its authorized representatives at a meeting held in Vienna 7-11 May 1994 concluded the following agreement:

A proposal will be submitted to the Bosnia-Herzegovina constituent assembly that the first president of the federation for the interim six-month period will be a candidate from the Croat people and the vice president will be a candidate from the Bosnian people. On the expiry of the six-month period the post of president will be taken by a representative of the Bosnian people and that of vice president by a representative of the Croat people.

The first president of the federation following the interim period will come from the ranks of the Bosnian people.

In the coming government reconstruction it will be ensured that the post of prime minister goes to a representative of the Bosnian people and the post of deputy prime minister to a representative of the Croat people. The deputy prime minister will also head the Ministry of Defense. Under the draft law on the government of the Bosnia-Herzegovina federation, the government will comprise the prime minister, the deputy prime minister, 11 ministers with portfolio, and four ministers without portfolio.

Ministers from the Bosnian people will head the following ministries: Internal Affairs; Foreign Affairs; Transportation and Communications; Energy and Industry; Urban Development; Resources and Environment; Refugees and Social Policy; and the Ministry of Education, Science and Culture.

Ministers from the Croat people will head the following ministries: Defense in the person of the deputy prime minister; Finance; Justice; Trade; and Health.

Of the four ministers without portfolio, one will be from the Croat people. The territory of the federation was defined on the basis of the criteria agreed by both sides and attached to the agreement. The maps defining the territory of the federation and of the cantons constitute an integral part of the agreement. In the Federation of Bosnia-Herzegovina there will be two cantons with a special administrative arrangement [rezim]; their working names are the Central Bosnia and Neretva cantons.

In accordance with the above, arrangements will be proposed for inclusion in the constitution of the federation to ensure that, in line with the arrangements applicable in the federation, the cantons will guarantee equality to the constituent nations of the Federation of Bosnia-Herzegovina.

The harmonized text of the proposed changes to the constitution of the Federation of Bosnia-Herzegovina is an integral part of the agreement.

The signatories of the agreement are committed to starting work immediately on setting up bodies of municipal authorities in accordance with the constitution of the Federation of Bosnia-Herzegovina. In the areas where there are justified interests provisions will be made on the basis of common criteria defined in accordance with the constitution to redefine and change municipal borders.

A commission set up on a basis of parity will be formed to search for missing persons.

The signatories have agreed to recommend to the constituent assembly of the Federation of Bosnia-Herzegovina, in accordance with the agreement, to pass relevant bills within its jurisdiction.

Following consultations with President Izetbegovic it was agreed that the first president of the federation in the interim six-month period should be from the ranks of the Croat people.

Izetbegovic, Redman Discuss Agreement

LD1105221294 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 11 May 94

[Text] [Unidentified announcer] Charles Redman, the U.S. President's special envoy, arrived in Sarajevo this evening. With Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, he discussed the results of the agreement signed in Vienna today. Senada Cumurovic has the report.

[Cumurovic] Charles Redman, who briefed President Izetbegovic on the course of the talks, which ended in Vienna today, and on the results [words indistinct], made the following statement:

[Begin Redman recording] I believe that the progress made during the talks in Vienna with regard to the federation is a major positive step. I think that the form on which the agreement is founded is a solid basis for good relations between Bosnian Croats and Bosniaks. However, the federation is only one part of the agreement. Bosnian Serbs are the other part. I have to say that I will have a very important meeting on Friday in Geneva where the most important representatives of the UN Security Council member countries and the EU will be present. The meeting is important from the point of view of future progress. The work of the contact group over the past few weeks is the basis of our talks. President Izetbegovic and I agreed that the most important part is the protection of Bosnia-Herzegovina's territorial integrity and the preservation of a way toward coexistence between Bosnian Serbs and the federation in some form of relationship. [end recording]

[Announcer] In his statement for the press, President Izetbegovic assessed the agreement reached in Vienna today as significant, partly because of its influence on the course of the talks scheduled for 13 May in Geneva.

[Begin Izetbegovic recording] This is a very important thing and it will strengthen our future negotiating position. Of course, we are awaiting with keen interest [words indistinct]. It is a big chance for peace and we will do everything in our power not to spoil this chance. We will, of course, try to ensure that this is not done at the expense of our people. With the maximum of good will we will examine the proposals. It is with great curiosity that we are expecting the proposals of the international community. We hope it will not be a reward for aggression and for ethnic cleansing. We are expecting just peace proposals. [words indistinct] It is now up to the international community to voice its opinion [words indistinct] and that it is far better for us to wait and see what proposals will be put before us. It is a well- known fact that the withdrawal of Serb troops from the occupied territory is one of our conditions, the other and most important one being the preservation of the territorial integrity of Bosnia-Herzegovina. We will see to what extent the international community will be prepared to [word indistinct] our demands.

[Announcer] Although at this stage the Bosnia-Herzegovina delegation is not party to the talks, as President Izetbegovic said, Silajdzic, Ganic, and Bicackic will nonetheless be present in Geneva. Let us say in the end that the journalists were most keen to find out about how cadre issues in the federation will be resolved. Neither President Izetbegovic nor Charles Redman could say anything specific about this, i.e., they did not speak about any concrete problems regarding the federation.

Izetbegovic Comments

LD1105215494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 11 May 94

[Interview with Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, by correspondent Senad Hadzifejzovic on 11 May; place not given—recorded]

[Text] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, commented on the Bosniak-Croat agreement reached in Vienna for Bosnia-Herzegovina TV this evening. His host was Senad Hadzifejzovic.

[Izetbegovic] I think that this is a good agreement. Of course there were a lot of difficulties, particularly over the issue of cantons, but my first impression is that this was done well. I am particularly pleased by the solution

envisaging the Neretva and central Bosnia cantons which will be typical cantons. Power will be shared in them and the Bosnian idea will be preserved in a way. I think that this is the best quality of the solution. Of course, the problem of implementation remains. I am afraid we could again have the problem of finding a way to implement the implementation [as heard]. I think that this indicates the preparedness of both sides to establish the principle of coexistence again.

[Hadzifejzovic] Most of the media attention is focused on the post of the president and the upcoming changes. How do you comment on this as the current head of state?

[Izetbegovic] I remain president of the Bosnia-Herzegovina Presidency, a political body that should be a symbol of the state's survival as a whole. This is not a problem. I said yesterday and I sent a letter to our delegation in Vienna saying that this issue must not be an obstacle to the agreement. If a satisfactory agreement is reached in connection with cantons and other, in my view, more important issues, then this issue is not important. One also has to bear in mind that the president's term is restricted to six months and that a Bosniak has to become a president after the first elections. If elections are not held within six months there will be a rotation. This issue is not so important also because the vice president has great powers, i.e., main decisions will be made by consensus.

[Hadzifejzovic] Does this mean that we will have the existing Bosnia-Herzegovina Presidency alongside the rotating president and vice president of the Bosniak-Croat Federation?

[Izetbegovic] Yes, if you remember, the constitutional law provides for this until the implementation of the new constitution and the Federation. It is necessary to preserve the Presidency as a political body that represents the whole of Bosnia-Herzegovina. We should not take a step in the wrong direction by disbanding the existing state in favor of the Federation. We still insist on the survival of the republic as a whole and the existing Presidency represents the republic [word indistinct]. The future president of the Federation will represent only a part of the republic. This was already envisaged by the constitutional law.

[Hadzifejzovic] Mr. President, in Bosnia-Herzegovina television newscasts we have, on several occasions, dealt with this question of the future organization of the federation as opposed to the current organization. There will obviously be state organs that will emerge following the first postwar elections, while there will also exist the state organs that stem from the agreement between the Bosniaks and the Croats. Do you fear that there may also be some problems in these circumstances?

[Izetbegovic] No, I do not. It is a fact that the Assembly remains as a single entity. It has, however, as people say, this assembly has four faces. Nevertheless, it is a single entity. Sometimes it operates in one capacity; sometimes it does in another.

There will be one government, not two. The presidency is to remain. I believe there will be no major problems in this respect if these powers are defined more narrowly. In other words, this current presidency has had to remain as a body that represents the republic.

The problem of the army, of course—this fourth institution—the army is the most problematic issue. Hardly anyone has managed to merge two armies into one. This is an experiment we are going to try to carry out. I fear there will be difficulties. This process is going to be far more difficult than others. As for the rest, I do not think there will be any major problems. This is particularly so because there will be a single government.

[Hadzifejzovic] What is your comment on the U.S. role in the signing of the Bosniak....

[Izetbegovic, interrupting] Their role was very positive and stimulating. Believe me, I think that, in part, their help is very direct. The fact that this took place in a U.S. Embassy helped in resolving some things. I have to reveal something. The negotiations were in serious crisis last night. Literally, they almost collapsed. I was talking to our delegation, to all the members. It was a long conversation, and the Americans mediated in such a way as to prevent the negotiations from stalling. Thank God, everything eventually turned out all right.

As for my talks with Mr. Redman, let me tell you that these talks, relating to the next meeting of the contact group, are in progress.

[Hadzifejzovic] Following this meeting, one can expect the next stage in the implementation of the Bosniak-Croat agreement. The position, the status, of Serbs in this future federation has been outlined?

[Izetbegovic] First of all, the Serbs should accept this federation. In other words, what is going to take place on Friday at the meeting in Geneva relates mostly to the future of Bosnia-Herzegovina as a state and, of course, our relations with the Serbs, as well as relations between the federation and the regions populated by Serb majorities—most of which are currently under the control of Karadzic's army. We will have to do something conceptually in order to save the country's unity. I believe that this is our priority interest: to preserve the external borders of the country. This is, in a sense, our interest. It will be our main goal on Friday.

[Hadzifejzovic] Will this require some concessions on our part?

[Izetbegovic] I cannot figure this out at the moment. It would not make sense if I were to reveal them at the moment. [words indistinct] what kind of concessions. I want to say that the preservation of Bosnia-Herzegovina as a state will be the top item on this list of priorities.

East Herzegovina Croats Dissatisfied

LD1105134294 Mostar Croatian Radio Herceg-Bosna in Serbo-Croatian 1600 GMT 10 May 94

[Excerpts] Over the last 24 hours, Serb forces carried out sporadic provocations on the Stolac front. In Stolac the [Croat-Muslim] Vienna negotiations are being followed with great attention.

[Raguz] This is Ivo Raguz reporting for Herceg-Bosna Radio from Stolac. Over the last 24 hours, members of the Serb army carried out several provocations from their Ljubljenica stronghold by firing fragmenting ammunition from antiaircraft guns at the Croatian Defense Council [HVO] defense lines on the Hodovo plateau, but fortunately with no serious consequences. [passage omitted]

The negotiations between the Croatian and Muslim delegations in Vienna are being followed here with a great deal of attention. Reports full of stereotyped phrases and cliches coming from Vienna speak about particular attention being paid to the disputed areas of central Bosnia and the municipalities of Stolac and Mostar in Herzegovina.

As to Stolac, it is a well-known fact that the Croatian Democratic Community [HDZ] scored a convincing victory here at the first multiparty elections, that HVO units comprising exclusively Croats and including—and this should be stressed—one Albanian, were instrumental in liberating the Stolac area from the [Serb] aggressor. While the Croats fought to liberate these areas, others, at the explicit recommendation of Alija Izetbegovic, strutted around saying this is not their war, while at the same time being very eager to accept humanitarian aid.

The evident difficulties in the distribution of power and the allocation of the leading posts in the [Muslim-Croat] federation indicate that the other side's attitude is: What is mine will remain mine, and what is yours will be both mine and yours; even on your territory I will be the one in charge and you will be subordinate to me. Aware of the lessons of the past, we can still hear the words which translated into reality mean: outvoting, dominating, and negating everything that is Croat. Has not the other side, despite the specific nature of the Washington agreement, tried—by copying the Serbs—to build the collective guilt of the Croatian people into the issue of the distribution of the leading posts in the federation and to declare who the victims and who the beneficiaries are. We must learn from history to ensure that it does not repeat itself.

In conclusion, even if these were relevant steps toward peace, in view of all that has happened so far and without the involvement of the third side, it all looks like counting one's chickens before they are hatched.

Silajdzic Discusses Agreement

AU1105200894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 11 May 94

[Report by Amir Hodzic from Vienna—recorded]

[Text] [Hodzic] Today, after thorough work over five days, the Bosnia-Herzegovina and Croatian delegations in Vienna reached an agreement on the number and borders of cantons of the Federation, the composition and the [word industinct] of the composition of the government and the [word indistinct] of the Federation.

There will be eight cantons in the Federation: (Hum)-Sana, Posavina, Tuzla-[word indistinct], Zenica-Doboj, Gorazde, (?Upper) Drina, Central Bosnian, and (?Central Herzegovina).

After the agreement was reached, we asked Prime Minister Dr. Haris Silajdzic to tell the listeners and viewers of Radio and Television of Bosnia-Herzegovina all that has been agreed and to assess the importance of the agreement reached.

[Silajdzic] The agreement reached is, so far, the most serious step toward reaching the final peace in Bosnia-Herzegovina and in preserving the integrity and sovereignty of the Republic of Bosnia-Herzegovina. The solutions endorsed are the most important concrete step in implementing the Washington agreement, the current Washington agreement and [word indistinct] the Federation of Bosnia-Herzegovina.

These solutons, that is, we [words indistinct] the question of establishing cantonal borders are maximally democratic, they enable a full national equality, economic appropriateness, a respect for [word indistinct], logical, and [words indistinct]. In a (?concrete way), these solutions should bring back confidence between the two peoples and ensure a new quality [word indistinct] in which [words indistinct] all those people will be eliminated who want (?dispute) and who do not wish the joint life of Bosniaks and Croats, as well as those who [words indistinct] Serbs and others who feel [words indistinct]. These solutions, in a way, go beyond the Costitution as they offer parity decision-making in two cantons, which is a higher level of democratic solution, something that proves there is a readiness to really build [words indistinct].

The Croatian and Bosniak peoples and all the people who feel Bosnia-Herzegovina is their own republic will certainly receive this agreement with relief and delight. It has been left to us to participate in the implementation of this agreement together. This is a difficult, very difficult, and very responsible task. I hope that we shall, all together, once again, prove that we can overcome this [word indistinct].

[Hodzic] Mr. Silajdzic, what has been agreed about the government [words indistinct]?

[Silajdzic] It will be proposed to the Constitutional Assembly that the first (?president) of the Federation (?in the transient period) should be a candidate from the Croatian people and in the same period, the (?vice president) of the Federation is from the Bosniak people. Thus, when the six-month period expires, the duty of the president will be performed by a member of the Bosniak people and the duty of (?vice president) by a member of the Croatian people.

The first president of the Federation after the transitory period will be elected from the ranks of the Bosniak people.

At the government reshuffle, it will be ensured that the duty of the prime minister is taken by a member of the Bosniak people and the duty of deputy prime minister by a member of the Croatian people. The deputy prime minister will head the Ministry of (?Defense).

Amendments to the Law on the Government of the Federation have been proposed, so that the Government of the Federation is composed of the prime minister, the deputy prime minister, 17 ministers, and four ministers without portfolio. Ministers from the Bosniak people will be heading the following (?ministries): the Ministry for Energy, the Ministry of Internal Affairs, the Ministry of Foreign Affairs, the Ministry of [words indistinct], the Ministry of (?Zoning), the Ministry for Refugees, the Ministry of Police, the Ministry of Education, the Ministry of Culture. Ministers from the Croatian people will be heading the Ministry of Defense, the Ministry of Finances, the Ministry of Justice, the Ministry of [word indistinct], and the Ministry of [word indistinct]. Of four ministers without portfolio, one will be a member of the Croatian people.

The territory of the Federation has been established on the basis of jointly adopted criteria.

After four days of work, this agreement has been (?reached). [words indistinct] has also been [words indistinct] with special administration: the Central-Bosnian and (?Neretva) [words indistinct]. Thus, amendments to the Constitution of the Federation will be made in conformity with the [word indistinct], so that in conformity with the (?solution) about the Federation, these cantons ensure the (?independence) of the peoples in the Federation.

[Hodzic] Prime minister, please tell us at the end what (?has been left) to do after this Vienna agreement, so that the (?Federation) [words indistinct]?

[Silajdzic] We have already ageed to sign this agreement on Saturday [14 May], to [word indistinct] and [words indistinct].

[Hodzic] There is one more piece of information from Vienna: The agreed documents will be signed in Geneva on Saturday.

This was Amir Hodzic reporting from Vienna for the Radio-Television of Bosnia-Herzegovina.

Sees 'Great Step' in Agreement

AU1105170294 Vienna Oesterreich Eins Radio Network in German 1600 GMT 11 May 94

[Report by Bettina Roither]

[Text] For five days, Muslims and Croats have held negotiations at the U.S. Embassy in Vienna. These two ethnic groups have agreed on the form and the structure of a future Republic of Bosnia-Herzegovina. The negotiators were Prime Minister Haris Silajdzic, Bosnian-Croat top politician Kresimir Zubak, and Croatian Foreign Minister Mate Granic. Minister President Silajdzic reported on the agreement 20 minutes ago:

[Begin Silajdzic recording, in English with superimposed German translation] We have reached an agreement on the external borders of the federation and on the internal borders of the individual cantons. We believe that a great step in the direction of a comprehensive peace solution in the Republic of Bosnia-Herzegovina has been taken—a great step to preserve unity, sovereignty, and territorial integrity. We believe that not only Bosniaks and Croats, but all who regard Bosnia-Herzegovina as their home will work toward the implementation of this agreement. [end recording]

On 14 May, the agreement between the Bosnian Muslims and Croats is to be signed in Geneva. It provides for a federation that comprises 58 percent of the area of Bosnia-Herzegovina. By the way, 70 percent of the territory is currently being held by the Serbs, with whom no negotiations were held here—thus, one reckoned, so to speak, without one's host, although he had conquered the territory.

In the new Republic of Bosnia-Herzegovina there are to be eight cantons, two under Croatian leadership, four under Muslim leadership, according to the respective majorities, and two with equal structures, that is, central Bosnia and the canton along the Neretva where the capital of Herzegovina, Mostar, is situated. The first president is to be a Croat and the first prime minister a Muslim. In return, the Croats will get six of 17 ministries.

As already mentioned, the Croats and Muslims have achieved this agreement, but they need to get back about 20 percent of the territory that is currently held by the Serbs. And, so far, the latter have not shown any inclination to give back conquered territory.

Karadzic 'Cannot Foresee' End to War Soon

LD1105162494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1512 GMT 11 May 94

[Text] Brcko, 11 May (TANJUG)—Radovan Karadzic, president of the Srpska republic, told journalists in Brcko today that he cannot foresee an end to the war in the near future, although the Serb people want it. His statement came after the 40th session of the Srpska republic people's assembly, which adopted conclusions

on topical issues of foreign and domestic policy. Members of the public were not present at the assembly's discussions.

"The latest attack by Muslim forces on Brcko rules out any possibility of their having any part of Brcko," Karadzic stressed. "Brcko has been and will remain a Serb town."

The Srpska republic president called on the people in Serb Posavina to be vigilant and strong and to remain in this territory "to defend it well and be convinced of their own victory." "There can be no discussion about the territory, which is vital for the Serb people," the Srpska republic president said.

In his statement for journalists, Karadzic reaffirmed the stands contained in the negotiating platform of the Srpska republic adopted in March this year, which is still in effect and according to which "no negotiations on the former Bosnia-Herzegovina can be possible if there is no peace."

To Seek Release of French Aid Workers

AU1205081594 Paris AFP in English 0759 GMT 12 May 94

[Text] Belgrade, May 12 (AFP)—Bosnian Serb strongman Radovan Karadzic, after sharp warnings from Paris, said Thursday [12 May] he would find a way to free 11 French aid workers held by his troops for the past month for alleged arms smuggling. Karadzic was quoted by the Bosnian Serb news agency as saying he had decided to "find a legal way" that would allow the release of the 11 French nationals employed by the Premiere Urgence (First Aid) group who have been held since April 8 in the outlying Sarajevo suburb of Lukavica.

(In London, European Union negotiator Lord Owen confirmed the aid workers would be freed "very soon." He told AFP he had received this assurance overnight from a trusted intermediary who was speaking on Karadzic's behalf. Owen said the Frenchmen would be freed "without condition and without trial.")

Serbs, Abdic's Forces Resume Bihac Attack

AU1205084894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0800 GMT 12 May 94

[Report by Mirza Sadikovic from Bihac]

[Text] The coordinated attacks by the united aggressors have continued on the free Bihac territory last night and this morning. The chetniks have unselectively and sporadically shelled the defense lines on the Grabez front and the Grmusko-Srbljanski Plateau, and in the Buzim area, where they shelled villages.

Last night the outskirts of Cazin and Bihac were shelled. This is the fourth day that the traitors from Abdic's paramilitary have continued their savage attacks on the Cazin outskirts, on Todorovo, and parts of Buzim.

Last night, and particularly this morning, fierce artillery and infantry attacks have continued on the areas of (Pecigrad) and Todorovo. The local secessionists are constantly aided by the chetniks from the so-called Serbian autonomous region Krajina, and there are many murderous chetnik mercenaries [word indistinct] in their ranks. There have been many casualties in the shelling, and the material damage is considerable.

The civilian authorities in the district, the members of the 5th Corps, and [word indistinct] from this region, in other words, all the citizens, have again appealed to the Kladusa people to resist these criminals in order to stop this war here and [words indistinct].

Muslims Renew Attack on Brcko

AU1105203894 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 11 May 94

[Text] At approximately 2000 the Muslims attacked Brcko again. Let us listen to what our correspondent Brane Bozic has just reported:

[Begin Bozic recording] To be precise, the suburbs of this town called Grcice were attacked. Several artillery shells, most probably of large caliber as their explosion could be heard very far away, landed there. The grenades were falling on residential homes and in the vicinity of an electrical current transformer which supplies this town with electricity. The town remained in darkness while the residents rushed into cellars.

Ambulance vehicles and the fire brigade sped toward Grcice. As of the time of this report, no further details are ascertainable. Nobody is on the streets except for the police, reporters, and the army. [end recording]

UN Condemns Attack

LD1205090394 Belgrade TANJUG in English 0842 GMT 12 May 94

["Pool" item]

[Text] New York, May 12 (TANJUG)—The U.N. Security Council on Wednesday evening condemned Bosnian Muslim attacks on Brcko, Serb town in the north of the ex-Yugoslav republic of Bosnia-Herzegovina where four people were killed and 13 wounded on Tuesday. The Security Council is concerned about the reports on the shelling of Brcko...[ellipses as received] by the Muslim government forces which resulted in civilian deaths, including those of women and children, reporters learned from Security Council President Ibrahim Gambari of Nigeria after a consultative session.

Bosnian Muslim and Croat military commanders recently publically confirmed they are preparing an offensive on Brcko, Serb town in the northwestern part of the corridor which links the eastern and western parts of the Bosnian Serb Republic (RS).

On Tuesday evening the Muslims shelled Brcko during a session of the RS parliament. The attack left four Serb civilians dead and 13 wounded. Only 24 hours later, the Muslims attacked again, but this time no-one was injured. RS officials described the attacks as the latest Muslim attempt to provoke a Serb military response and force fresh NATO air strikes against the Serbs.

Gambari also said that the Security Council is worried about the violation of the security measures in the region of Tuzla (Muslim-controlled city in northeast Bosnia) especially "the Serb shelling."

However, TANJUG learns that the Muslims launched artillery and infantry attacks on Serb positions near Tuzla on Wednesday, and U.N. representatives in Sarajevo confirmed that the Muslims have massed strong forces in the south and southwest of this city aiming to prevent the movements of U.N. military observers and to prepare military actions in the region.

According to the Nigerian diplomat, the Security Council called on the warring sides on Bosnia to fully cooperate with the U.N. Protection Force (UNPROFOR), to meet their obligations and to refrain from actions which could worsen the situation or threaten the peace process.

Gambari said that the Security Council session did not discuss in detail the modified French proposal on Brcko because the opinion prevailed that it is necessary to wait for the outcome of the meeting of the foreign ministers of Russia, United States and the European Union scheduled to open in Geneva on Friday.

Russia insisted that the Security Council condemns the massing of the Muslim heavy arms and their offensive in Mt. Igman, which is close to the exclusion zone in Sarajevo, but Gambari failed to mention this.

Tanks Fire on Grcica District

LD1105192094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1839 GMT 11 May 94

[Text] Brcko, 11 May (TANJUG)—Muslim forces carried out a new artillery attack on Brcko this evening, almost at the same time as last night. All shells landed on the town's Grcica district. According to the first unofficial reports, five tank shells were fired from the direction of Vranovaca. There is not yet any reliable information about possible victims or the extent of the damage.

Serb Army Preparing Offensive

AU1205085694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0800 GMT 12 May 94

[Report by Hamid Deronjic from Brcko]

[Text] Last night on the Brcko front was marked by the Serb aggressor's provocative fire. The chetniks were firing with small arms along the entire front line, while on the central part of the front the aggressor also used grenades, portable rocket launchers, and Broving. Last night at 1935 from the direction of Cadjavac the enemy shelled the defense positions in Vranovaca, and at about 2000 the chetnik antiaircraft guns and machine guns fiercely pounded Boderiste.

Strong chetnik infantry forces are constantly on the move, searching for the best positions for offensive activities. Last night the enemy sabotage and reconnaissance groups were the most active on the central part of the front, facing the positions of the 108th Motorized Brigade and the 108th Infantry Brigade in the region of Vranovaca and Boderiste.

The Serb aggressor is trying to forge an excuse for launching his long-planned offensive, now that the UN observers are in the temporarily occupied Brcko. The chetniks are currently trying to do this with their propaganda campaign concerning the alleged attacks by the fighters of the Bosnia-Herzegovina Army on civilian targets in Brcko. However, after the unfortunate episodes in Srebrenica, Zepa, Gorazde—and after the transport of the chetnik tanks through the protected zone in Sarajevo, when one of the aggressor's tanks mysteriously disappeared—the chetniks simply cannot be trusted with anything.

UNHCR Personnel Leave

LD1105200594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1833 GMT 11 May 94

[Text] Belgrade, 11 May (TANJUG)—On the basis of the decision by Sadako Ogata, UN high commissioner for refugees [UNHCR], employees of this organization will not be returning to the Srpska republic [RS], Koning Abuzaid, head of the UNHCR mission for former Bosnia-Herzegovina, said after today's visit to Brcko, the SRNA agency reports.

During a meeting today with Nikola Koljevic, RS vice president, and RS Health Minister Dragan Kalinic, Mrs. Abuzaid said this move was made because of a security threat to UNHCR personnel following the UN decision that Serb targets can be bombed without previous announcement. Humanitarian aid to the people in the Srpska republic will from now on be delivered via Belgrade, which is seen as technically more complicated.

UN Predicts 'Biggest Battle of War'

AU1105182694 Zagreb VJESNIK in Serbo-Croatian 8 May pp 10-11

[Article by Fran Visnar: "Serbs Brought 'Mad-Max-Launching Pads,' Too"]

[Text] Intelligence monitoring performed by proficient UN Protection Forces [UNPROFOR] members confirms that the biggest battle since the beginning of the war in Bosnia-Herzegovina will be fought at Brcko. All parties to the conflict (led by Serbs) have brought large quantities of weapons to this area, so that the UN Security Council, the United States, and Russia have

unanimously stated that a spark should not cause a fire, and a small fire should not develop into an uncontrolled blaze.

The establishment of a security zone around Brcko is most convenient for the Bosnian Serbs. In this way they will be given international guarantees needed for the creation of the Serbian corridor between Serbia, Semberija (Bijeljina), Brcko, Pelagicevo, and further to Banja Luka. It is not true that the corridor was invented because of the Serbs, or that its importance is exaggerated! If there were no corridor, the so-called Serbian republics in Bosnia and in Croatia really could not function normally. If we look at the territory presently controlled by the Bosnian Serbs, we can see that it looks like an oak leaf split in the middle—two separate parts are kept together by a narrow strip of land (the area between Brcko and Orasje, which is the most sensitive part of the corridor).

Ratko Mladic has admitted himself that Muslims and Croats, who can "terminate" the corridor, have excellent weapons. The Army of Bosnia-Herzegovina is extremely strong in that area because it has a direct communication with Tuzla and Zenica, from where it can be supplied. Apart from 40,000 regular soldiers, approximately the same number have been recruited from territorial defense units. Apart from light weapons and all-terrain vehicles, the Army of Bosnia-Herzegovina has a large number of guns and howitzers of Russian and Chinese origin, "Mi-8" helicopters flown by former Yugoslav People's Army pilots (carrying launching pads with missiles); they also have modern communications equipment, various types of antitank missiles, light antiaircraft launching pads, and so forth.

Problem With Soldiers

Ratko Mladic openly admits that the largest Serbian problem is soldiers—there are not enough soldiers, their number cannot approach the number of members in the Muslim forces (half of the Serbian brigades are filled with only 50 percent of soldiers, for example). The Croatian side in Bosanska Posavina [HVO units] has far fewer soldiers compared to both the Serbs and the Muslims, but they have excellent weapons. Apart from older models, the "T-54," "T-55," and "T-34," the HVO also has "M-84" tanks that can be compared to Serbian armored units. It has self-propelled 122-mm howitzers of the "Gvozdika" type (they were seized in the Varazdin Corps), and all types and calibers of guns, howitzers, and multiple rocket launchers.

The Serbs have brought to Brcko not only all known types of guns and missiles, but also new self-propelled "missile vehicles" assembled like in a "Mad Max" movie. Rails were added to adapted military transporters (on wheels) on which Russian air-to-air missiles of the type "AA-2 Atoll" are mounted (the Russian copy of the U.S. "Sidewinder AIM-9"), with which Serbian fighter planes ("MiG-21" and partially a "MiG-29") are armed. Since there are enough missiles in the Serbian air base near Banja Luka, which cannot be used because of the fly ban, necessary modifications were made at the "Vazduhoplovni zavod Kosmos" ["Kosmos" Air Force Institute] in Banja Luka so that a large number of vehicles are now equipped with two adapted missiles each.

"Atoll" has a half-round front and front wings, it weighs 70 kg, it is 2.8 m long, its diameter is 120 mm and the distance between the back and front wings is 530 mm. Its red warhead carries 6 kg of highly destructive explosive. "Atoll's" range in air combat is 6.5 km (it has various types of infrared and semiactive radar control); the purpose of its ground version is to achieve a propaganda effect rather than its combat value.

It has to be admitted, however, that the Serbs do not throw anything useful away. Some types of air-to-ground missiles ("Sparrow") are used even in the West in the modified ground-to-air version. The Serbs did the same thing as the United States did a long time ago (they adapted the "Sidewinder" into the light system ground-to-air "Chaparral," which is induced by heat sources). The "AA-2 Atoll" was transformed by the Serbs into a missile which should hit strong sources of heat radiation (various industrial facilities, tanks with running engines, and so forth), including helicopters flying at an altitude of several meters above the ground or flying in low flight.

It is obvious that the Serbs are trying to help themselves somehow. The UNPROFOR, on the other hand, needs a large number of high-quality tanks of the "Leopard" type in order to supervise all three warring factions around Brcko. With the present number of 20 tanks the UN is able to protect only a very small territory and their personal safety.

UNPROFOR intelligence professionals stress another thing, too: If the HVO joins the conflict on the Muslim side, the Serbs plan a revenge against "HVO logistics and supply bases" in Croatia with several additional multiple rocket launcher batteries of the type "M-7" and "Oganj" (caliber 128 mm, range 21 km). Artillery attacks would be aimed at Slavonski Samac, Stitar, Zupanja, Bosnjaci, Podgajci Posavski, Rajevo Selo, and Gunja. The UNPROFOR headquarters is warning officials in charge that the time is passing, and tension around Brcko growing, since the Serbian corridor is like a steak offered on the table.

Karadzic Views Attack

LD1105135794 Belgrade TANJUG in English 1345 GMT 11 May 94

[Text] Brcko, May 11 (TANJUG)—Bosnian Serb President Radovan Karadzic said on Wednesday the combined Croat-Moslem artillery attack on Serb-controlled Brcko in northeastern Bosnia on Tuesday had made the Serbs much more reluctant to make concessions in the future territorial delineation. "This once again proved us right in insisting that our corridors be sufficiently deep from the strategic point of view ... to make our borders

easy to defend," Karadzic said early on Wednesday during a visit to the victims of the attack in Brcko hospital. "These civilians have paid dearly for their freedom and the right to hold political meetings in their town," he added.

During the attack, mounted at 7.30 p.m. local time (5.30 p.m. GMT) on Tuesday, the Bosnian Serb parliament was in session in Brcko.

A statement issued by the hospital in Brcko said the attack left three people dead, including one child and one pregnant woman, and 13 others wounded. Bozo Isailovic, 61, his daughter-in-law Svetlana, 27, who was in advanced pregnancy, and her two-year daughter Bozana were killed at their home which sustained a direct hit from a tank shell. Two of the wounded are in intensive care, six with severe wounds are undergoing hospital treatment and five have been discharged after receiving medical help.

Karadzic told reporters that Bosnian Serbs had always granted passage through their territory to Croat and Moslem deputies. "Otherwise, their joint parliament would be unable to hold any sessions in Sarajevo." Bosnian parliament Speaker Momcilo Krajisnik, who visited the wounded together with Karadzic, said that what had happened last night in Brcko was the crime against the Serb people and an anticivilizational act.

Croats Firing Grenade Launchers on Mostar

LD1105134894 Belgrade TANJUG in English 1228 GMT 11 May 94

[Text] Belgrade, May 11 (TANJUG)—The Bosnian Croats are on Wednesday using grenade launchers to shell the Moslem-held centre of Mostar, Moslem Sarajevo radio said citing Bosnian Moslem army sources.

The shells are falling close to the U.N. Protection Force (UNPROFOR) tent, the radio said.

Provocations and ceasefire violations are on the rise in Mostar, city in southeast Bosnia, despite the negotiations which started five days ago in Vienna between the Bosnian Moslems and Croats on their joint federation in this former Yugoslav republic.

Sarajevo radio said in a program, monitored in Belgrade, that Bosnian Croat snipers on Tuesday fired from the Mostar airport on the southern suburb of Gnojnice.

Bosnian Croat Army Chief-of-Staff General Milivoj Petkovic said in Mostar that a joint Moslem-Croat army command for Sarajevo will shortly be set up and that in time it would be transformed into a federal command of the joint Bosnian army. He added that the deadlines for this remain undefined so far because this issue is as delicate as is the defining of the borders of the cantons within the future Moslem-Croat federation.

Petkovic urged the forming of a joint, but not single federal army, the Croatian radio said.

Following year-long heavy fighting in central and southeast Bosnia, the Bosnian Croats and Moslems on March 18 succumbed to U.S. pressure in Washington and signed an agreement on setting up a federation in Bosnia and a subsequent confederation with the neighbouring ex-Yugoslav republic of Croatia.

Central Bosnia and the cities of Mostar and Stolac (both in southeast Bosnia) remain the stumbling block of the Vienna talks. Both sides claim they are entitled to these territories with a mixed population and neither show the least wish for a compromise.

Muslims 'Cleansing' Zenica of Croats

LD1205140494 Belgrade TANJUG in English 1050 GMT 12 May 94

[Text] Belgrade, May 12 (TANJUG)—Croats expelled by the Muslims from Zenica, Muslim-held city in central Bosnia-Herzegovina, are arriving each day in the region of the Lasva river valley, the Croatian radio reported on Thursday. The radio said that the wave of ethnic cleansing of Croats has gained in intensity especially after March 18 when the Bosnian Croats and Muslims submitted to U.S. pressure in Washington and signed an agreement on setting up a joint federation in Bosnia. Some 1,500 Croats from Zenica fled to Vitez, Busovaca, Novi Travnik and Nova Bila (all Croat-held towns in central Bosnia), the Croatian radio said.

The realization of the agreement on the Muslim-Croat federation has been slow although both sides, which met in Vienna this week, agreed the borders of the ethnic cantons within the future state and that its first president is a Bosnian Croat. Despite the agreement, Bosnian Muslim leader Alija Izetbegovic has said he would continue to head Bosnia-Herzegovina. I will remain the president of the Presidency—the only body which should symbolize the continuation of the state as a whole, Izetbegovic told Sarajevo television on Wednesday evening. He said that this should not present a problem in relations with the Croats because after six months a Muslim should become the head of the Muslim-Croat federation.

On Wednesday the Bosnian Croats and Muslims closed their five-day talks by reaching agreement on the ethnic division within the future federation, which will spread on 30 percent of Bosnian territory, by planning to extend their cantons at the expense of the Serb territories in this ex-Yugoslav republic. The two sides' plan for their federation to include 58 percent of Bosnia practically announced new offensive actions on territories currently controlled by the Bosnian Serbs. The Muslim-Croat offensives on Serb territories in Bosnia are already underway in northern and eastern Bosnia.

Serbs Amassing Arms in Sarajevo Exclusion Zone

AU1105155094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 11 May 94

[Text] The fact that the Serbian [word indistinct] will not easily give up their idealistic (?intentions) toward our country is shown by their recent accumulation of manpower and weapons in the exclusion zone around Sarajevo, as well as the entire zone covered by the 1st Corps of the Army of the Republic of Bosnia-Herzegovina. Today they continued bringing volunteers from Serbia and Montenegro and deploying them to positions held by local Serbian paramilitary units around Sarajevo. A vehicle full of the aggressor's soldiers has arrived in the Bosut Barracks and (?a bus full) of chetniks arrived in Vogosca from Rajlovac.

Truce violations around Sarajevo continue today also. Chetniks carry out provocations more and more frequently, but our fighters are not responding to them most of the time. The enemy opened [word indistinct] fire from the M-84 submachine gun on [name indistinct] and (Prokolje). The region of [name indistinct] was hit by mortar bombs. Apart from mortar bombs, Stupsko Brdo was exposed to sniper fire as well. One of our fellow citizens was wounded in Rogaticka Street. In the zone covered by the 1st Corps—the Visoko front—in comparison with the past several days, the aggressor today increased provocations with infantry and antiaircraft weapons.

Our units in the regions of (Prijeko), Klis, Ravna Gajina, Zege, [name indistinct], Kokoska, (Metaljke) are constant targets of Serbo-Montenegrin criminals [words indistinct]. Around [words indistinct].

UNPROFOR Reports Heavy Fighting in Tuzla

AU1205102594 Paris AFP in English 1009 GMT 12 May 94

[Text] Sarajevo, May 12 (AFP)—Fighting raged Thursday [12 May] between the mainly Moslem Bosnian army and Bosnian Serb troops about 40 kilomtres (25 miles) southeast of Tuzla, UN Protection Force (UNPROFOR) spokesman Eric Chaperon said. He said the fighting was concentrated along a strip running north and south that separates territory controlled by the two belligerants along the region of Sapna and the towns of Olovo and Brgule.

Chaperon said "30 detonations were reported in the region of Sapana Wednesday, 73 in Brgule and 11 in Olovo." He said farther north in Brcko, five shells fell in the region of Posavina around 1730 GMT Wednesday without claiming any casualties. Two of the shells hit the town's main power generator.

Chaperon added that the situation was also tense in the western enclave of Bihac where both sides were reported to be bringing in reinforcements. He said eight soldiers wearing civilian clothes had attempted to enter the UN-imposed exclusion zone around the eastern town of Gorazde Wednesday carrying light weapons and a machine gun hidden under a blanket but were stopped by UN soldiers and turned away.

In Sarajevo, the UNPROFOR said the "usual" ceasefire violations were continuing in the capital with small arms fire and a few detonations. Chaperon said that an UNPROFOR vehicle was targeted Wednesday afternoon at the Sarajevo airport. "Fifteen shots were reported," he said adding that there were no injuries.

The latest fighting came as foreign ministers from the United States, Russia and five European Union countries including Britain and France prepared to meet in Geneva Friday to try to revive the stalled Bosnian peace process.

Muslims Planning 'Ecologic Catastrophe'

LD1205114494 Belgrade TANJUG in English 1128 GMT 12 May 94

["Pool" item]

[Text] Belgrade, May 12 (TANJUG)—If their offensive on the Serb town of Brcko fails, the Bosnian Muslims are planning to cause an ecologic catastrophe by blowing up the chemical facilities in Tuzla (northern Bosnia), Belgrade POLITIKA said on Thursday. The Tuzla chemical works are similar to that in the Indian town of Bopal which caused the death of 2,500 people and seriously injured 150,000.

Tuzla is held by the Muslims who have over the past few days been massing major forces in the south and southwest of this city, also confirmed by the U.N. Protection Force (UNPROFOR) spokesman in Sarajevo on Wednesday.

The Seventh Brigade of the Bosnian army, well-known for its fundamentalism and lightening-speed offensives, has been transferred to the Kladanj-Olovo region (south of Tuzla) in preparation of military actions in this region, REUTER said.

The threat of an 'ecologic strike' from Tuzla could be a desperate measure since poisons cannot tell the difference between one's own army and civilians and those of the enemy, the Belgrade paper said. Another possibility is that NATO would fulfill Muslim expectations and help them if they are unsuccessful, as in the case of Gorazde.

The Muslims could blow up several tanks containing poison substances and, in keeping with the already proven scenario and with the support of the Western media, blame the Serbs and then ask for NATO's help, POLITIKA said. The threats by the Tuzla Muslims would cause the death of thousands of people and seriously hurt over hundreds of thousands.

Before the outbreak of the civil war in Bosnia, Tuzla was a major center of the chemical industry which had stores

amounting to about 1,300 tonnes of chlorine, 1,100 tonnes of ammonium, 60 tonnes of sulfuric acid and 3 tonnes of phosgene.

The release of chlorine into the atmosphere would threaten life in an area ranging from 1.5km - 76 km, while the ammonium would affect an area from 1 km - 28 km depending on the weather, POLITIKA learned from Dusan Rajic, a contamination expert of the Yugoslav army's techinical institute in Belgrade.

The use of phosgene would affect only the centre of the city or the cite from where it was released. Those who are threatening to cause an ecologic catastrophe could use this element since, by sacrificing their own people, they would achieve their aims—to force international military aid, Rajic said.

The Muslims have already applied this scenario of sacrificing their own people to turn the international public against the Serbs. Last year they caused the massacre in the Vase Miskina Street in Sarajevo, while this year they caused the death of innocent civilians at Sarajevo's Markale Market in the same way.

Both times the aim was achieved—the international community reacted with lightning speed and blamed the Serbs. Subsequent reports by UNPROFOR representatives about who was really to blame had no effect.

Casualties Reported in Inter-Muslim Clashes

LD1205013994 Belgrade TANJUG in English 2316 GMT 11 May 94

[Text] Belgrade, May 11 (TANJUG)—Many casualties have been reported in Wednesday's heavy clashes in western Bosnia-Herzegovina between Moslem units loyal to the Moslem leadership in Sarajevo and that of the Autonomous Province of Western Bosnia (APZB), Moslem-controlled Sarajevo radio reported.

The radio, controlled by the authorities loyal to Moslem leader Alija Izetbegovic, said that the APZB forces continued for a third day in a row their "savage attacks on the Cazin border regions, Todorovo and the area of Buzim." The radio reported major damage to civilian facilities.

The APZB was proclaimed in a referendum of the Moslem population in the region in September 1993 and local businessman and former Bosnian presidency member Fikret Abdic became its president. Abdic, a political opponent to Izetbegovic, has in the meantime concluded peace agreements with the Serb Republic, the state of the Bosnian Serbs.

U.N. Reportedly Sponsored Muslim Attacks

LD1205121494 Belgrade TANJUG in English 0946 GMT 12 May 94

[Text] Bileca, May 12 (TANJUG)—By proclaiming Gorazde, Muslim enclave in eastern Bosnia, as a U.N. safe area, it seems that the Muslims have been given the green light to freely attack the Serbs who are not permitted to fire a single bullet in self-defence.

In keeping with an agreement with the U.N. Protection Force (UNPROFOR), the Serbs last month pulled out their infantry to three km from the centre of Gorazde, and their artillery to 20 km away following the collapse of a Muslim offensive launched in March from this U.N.-designated safe area which should have been demilitarized in the spring of 1993.

After this, some 200 U.N. peacekeepers were deployed in this region.

The wounding of a Serb soldier last Tuesday near the village of Kolovarice (9 km southwest of Gorazde in the direction of Foca) is only an illustration of the Serbs' claims that UNPROFOR has no interest in them in this region.

The Serb soldier was wounded after the Muslim forces from the villages of Vranici and Stupe (on the left Muslim bank of the Drina river) opened strong fire on Serb positions on the right bank of Drina which separates the warring sides.

Since the arrival of the U.N. troops in the Gorazde region two weeks ago, the Muslims have countinually launched attacks and armed provocations on the Serbs. In the village of Kazlagici (3 km east of Gorazde) a Muslim sniper on April 25 shot dead Sasa Burovic, a Serb, from Cajnice.

Burovic was killed before the very eyes of the Ukraine U.N. troops. Eyewitnesses claim that he was shot close to a U.N. armoured vehicle while he was talking with the Ukrainian troops and discussing their deployment along the lines separating the Serb and Muslim forces.

Burovic's close proximity to the U.N. peacekeepers did not in the least affect the Muslims, nor were they afraid they would have to suffer any consequences for the attack.

Judging by UNPROFOR's subsequent conduct, the Muslim estimates were not wrong. Not only did their action pass unpunished, but the UNPROFOR command failed to inform the public about this in an attempt to dismiss and forget the incident. Clearly, this served as an additional impetus for the Muslims so that their troops continued penetrating the so-called 3-km 'blue zone' in Gorazde and firing at the Serbs over the heads of the U.N. troops.

It has been shown that the U.N. resolutions are not binding for the Muslims as they are shooting even at Serb civilians who trusted the U.N. guarantees and returned to their homesteads in the Drina river valley. At the same time, the UNPROFOR from Gorazde is daily informing the world public that some Serb police stationed in certain positions near the town are carrying guns with cut-off barrels. UNPROFOR is also increasingly voicing doubts that the Serbs have withdrawn all

their artillery to 20 km away from the centre of Gorazde, but is not giving proof for this.

UNPROFOR continues to employ double standards towards the warring sides in Bosnia, ignore the obligations stemming from the U.N. resolutions and fails to take any steps to disarm the Gorazde Muslims and demilitarize the town.

Commentary Says Closure of Borders Will End War

AU1105162794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 11 May 94

[Unattributed commentary]

[Text] After a brief lull, Karadzic's media have recently again launched an action of dismissing fear among its subordinates. They are primarily boasting of the powerful arms that they possess, claiming at the same time that the Muslims have nothing, and therefore, not a chance of resisting them. They illustrated all this with a reportage about the 2d Armored Brigade. They showed a self-propelled howitzer, a multiple rocket launcher, a self- propelled antiaircraft gun [words indistinct]. The engineer boasted that they have laid thousands of mines, a gift to their enemies, as he said. Then they showed parts of the 27th Motorized Brigade in Derventa. The commander boasted that the Brigade is motorized in the true sense of the word, equipped with the most modern hardware and arms. An inevitable question arises: Where has Karadzic got all this from when we know that the majority of the (?500,000) residents of the so-called Srpska republic are illiterate and that their industry is literally at a standstill while their economy is in tatters? Where did such modern arms, such a quantity of ammunition, spare parts, and fuel come from? Not even many of the more-developed countries can afford this. The answer is clear—[words indistinct] from Serbia.

This is not all. Analyst Karlo Jeger, on the pages of Zagreb GLOBUS [words indistinct] the forces of the Serbian aggressor that attacked Gorazde. Of a total of five brigades, two had arrived from Serbia [words indistinct]. A special police battalion from Serbia and the units of the antiaircraft defense with the most modern rocket systems that Serbia possesses were also there. It is clear, therefore, that there will be no end to the war in Bosnia-Herzegovina before the borders with Serbia and Montenegro are hermetically sealed.

Karadzic's Serbs would behave entirely differently had they known that the potential of the former Yugoslav Peoples' Army, [words indistinct] $200 billion, and the armed forces from Serbia and Montenegro are no longer behind them. Many of them would not fight a day longer, therefore, the West, if it wants to stop the war in Bosnia-Herzegovina, must [words indistinct] the Serbs behind the negotiating table. Participation at such talks must also be secured for those Serbs who stayed on the free territories or have abandoned the temporarily occupied territories. One must not forget that they represent 60 percent of the total number of the Bosnia-Herzegovina Serbs. Only in this way can a just solution for all be found, that is, by blocking the borders on the Drina and Sava Rivers and nothing more.

Tudjman Notes 'Satisfaction' With Vienna Accord

LD1205095194 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 12 May 94

[Text] Croatian President Franjo Tudjman has expressed satisfaction with the Vienna agreement. He was informed about it by Mate Granic and Kresimir Zubak upon their return from Vienna. Haris Silajdzic, head of the Muslim delegation, described the agreement as the most specific step toward peace, the implementation of the Washington agreement, and the constitution of the Bosnia-Herzegovina federation. President Alija Izetbegovic said that the agreement is a good one, but that the Muslims will continue to insist on a unitary state and on preserving its external borders.

ΩControversy Over Istria Statute Suspension

94P20745A

[Editorial Report] Recent issues of Croatian dailies have reported and discussed two Croatian Government decisions: to suspend the Statute of the County of Istria, including guarantees of minority-language equality to the indigenous Italian population, and to establish a Council for Istria as "an advisory body to the Presidency of Croatia."

The Ministry of Administration, according to its 18 April announcement, has suspended the implementation of the Statute of the County of Istria on the basis of Article 80 of the Croatian Law on Local Self-Management and Administration (VJESNIK, 19 April; SLOBODNA DALMACIJA, 19 April). This was done, the ministry says, because regulations in several articles of the statute contradict the Constitution of the Republic of Croatia, the Constitutional Law on Human Rights and Freedoms, the Constitutionsl Law on the Rights of Ethnic and National Communities or Minorities in the Republic of Croatia, and other laws. The announcement states that the Government of Croatia has obligated the Ministry of Administration to examine thoroughly the statute of every county, in accordance with the ministry's responsibilities under the Law on Local Self-Management and Administration. In cases in which a regulation in a county statute is found to be unconstitutional or illegal, charges will be brought before Croatia's Constitutional Court.

Reacting in the 19 April VJESNIK to the Ministry of Administration's decision, Dino Debeljuh, a member of the Istrian Democratic Congress (IDS) and a delegate in the Croatian Assembly, defended the statute but said the move by the Ministry of Administration was to be expected. "In any case, the opinions on the rights and protection of the Italian minority of the IDS, as the ruling party in Istria, are totally different from those of the top state leadership. With this statute, we simultaneously gave the top state leadership the opportunity to accept the standards of Western Europe and to recognize the right of the Italian minority to retain the level of rights it has had up until now. The Statute of the County of Istria merely sanctions the existing rights of the Italian minority and, in addition, harmonizes these rights with those of the Italians in the Slovene part of Istria, and all of this is in accordance with the memorandum signed by the Republic of Croatia and the Republic of Italy, by which Croatia promised that the Italians in the Croatian part of Istria would have the same rights and protection as those in the Slovene part. In no way does the Statute of the County of Istria exceed those rights. The statute does not contradict the Constitution or laws of the Republic of Croatia."

Asked how the inhabitants of Istria would react to the suspension, Debeljuh responded: "This is one more in a series of decisions by the top Croatian leadership that does not contribute to the improvement of its relations with Istria." He stressed that he found especially worrisome the fact that this was happening at a time when the right was gaining prominence in Italy and might use the "hardline" position of Zagreb to "promote its views toward Istria." This shows, he added, that such actions by the top leadership do not benefit Croatia.

The same issue of VJESNIK carried a report by the Croatian press agency HINA on the IDS response to the Croatian Government's decision to establish an advisory council for Istria. Following a meeting of the IDS Council in Pazin on 16 April, the party issued a statement signed by its president, Ivan Jakovcic. The statement said that the IDS did not accept the manner in which this council was founded, pointing out that the assembly and government of Istria County had not been consulted. Thus, the statement continued, "the President of the Republic of Croatia, Dr. Franjo Tudjman, subconsciously confirmed the separateness of Istria in the Republic of Croatia." The IDS statement called on Tudjman "to set up councils for Dalmatia, Slavonija, Baranja, and other regions of the Republic of Croatia which need to be given more attention than Istria."

The 20 April issue of VJESNIK reports that the Istria County Government had also protested the suspension of the county statute and the founding of the council for Istria, saying that it considered the actions "unnecessary and incomprehensible," especially because "not a single legally elected member of the county government" had been appointed to the advisory council. The government, according to VJESNIK, also said it was "indicative" of the Tudjman government's attitude toward Istria that the local government had to "find out about all of this in the media."

The same issue of VJESNIK published "a message to Istrians from the Office of the President of the Republic of Croatia" stating that, "in view of the fact that the council had been founded as a nonpolitical, expert, and nonparty advisory body to the president of the republic, the Istria County Assembly and all other interested organizations and associations are invited to propose candidates for membership on the council of Istria."

SLOBODNA DALMACIJA in its 21 April issue reported that the Council of Istria has 17 members and that Monsignor Josip Pavlisic, retired archbishop of the Rijeka-Senj diocese, had been "elected" its president. The paper describes Pavlisic as an authority on Istria, where he was born 80 years ago. Pavlisic, asked by SLOBODNA DALMACIJA how he had been elected president of the council, stated that he had been contacted by telephone with the offer "several days ago" and had accepted, "although I have been absent from Istria for 42 years." He told the paper that the council members had not met yet, but "I was told that the council consists of many people who will advise the president of the republic regarding various sectors of life." Asked whether, as president of the council, he had influenced the selection of its members, Pavlisic responded: "The president of the republic nominated the members. All this happened for me out of the blue."

Discussing what Istria means to him, Pavlisic observed that the area had the potential for a bright future. He warned, however, that people in Istria are discouraged with the situation in Croatia and unhappy about their small salaries and pensions. He said that there is a danger that they may turn toward Italy "because they are not all idealists and they have to survive from day to day." Asked to comment on the "stormy" press reaction to the founding of the council, Pavlisic responded that charges that everyone on the council was a member of Tudjman's party, the Croatian Democratic Community, HDZ, were not accurate: "I, for one, am not an HDZ member, nor am I a member of any other party."

RSK Not To Attach Conditions on Talks

LD1105162594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1430 GMT 11 May 94

[Excerpt] Milan Babic, minister for foreign affairs of the republic of Serb Krajina [RSK], told a TANJUG correspondent in Knin today that the government delegation of the RSK would not set any preconditions for the next round of talks on humanitarian and economic issues with a delegation of the Republic of Croatia.

Krajina's demand—for the negotiating process to continue in Geneva on 18 May at the headquarters of the Conference on the Former Yugoslavia—comes as a result of Croatia's refusal to hold negotiations in "the buffer zone" in Turanj near Karlovac, Babic explained. Our insistence on holding negotiations in Turanj would be perceived as a blockade on our part of the negotiating process, the RSK foreign minister says.

We have opted for further negotiations without attaching any conditions as we believe that this is our contribution to peace in the area of the former Yugoslavia and that this is the way to a final political solution that will recognize the right of self-determination to all the people in the area of the former Yugoslavia, Babic explained. He, however, stressed the problem of equality in the negotiating process because UN Security Council Resolution 820, as he said, undermines further negotiations. In this context, Babic stressed that ways will be examined of lifting the sanctions against the Serbian people, that is the Federal Republic of Yugoslavia, the Srpska republic, and the republic of Serb Krajina. [passage omitted]

RSK Army Protests Croat Cease-Fire Violations

AU1105143494 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 May 94

[Report by Jovan Vlajkovic from Okucani]

[Text] Overnight and yesterday, the Croatian Army on two occasions violated the signed agreement in Western Slavonia. The first instance occurred yesterday at around 0900, when Croatian planes violated the airspace in the region of the village of Zagalici, 7 km east of Okucani. The second instance occurred in the course of the night, when Croat Army troops in the region of the village of Bujici, 4 km northeast of Novska, opened small arms fire on the positions of the Serbian Krajina army. The command of the 18th Corps of the Serbian Krajina army has lodged a sharp protest with the UN Protection Forces and has warned of the possible consequences of such conduct by the Croatian side.

Progress of Privatization Process Reviewed

AU1205110294 Skopje NOVA MAKEDONIJA in Macedonian 11 May 94 p 3

[Article by V. Cvetkovska: "11 Enterprises Fully Privatized"]

[Text] The privatization in the state has formally started. Although not yet officially, Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] has gotten its first 11 state enterprises transferred to private ownership. These are mainly small and medium-sized enterprises which started the ownership transformation under the old federal laws (the law on state capital and the law on personal incomes from the time of Prime Minister Ante Markovic). Here are the names of the enterprises: Solun, Gevgelija; the copyright agency Tutun, Skopje; the Agricultural Combinat, Skopje; Metal, Skopje; Makmarket, Skopje; Skolit, Skopje; Gradinar, Skopje; Economic Press, Skopje, as well as two more cooperatives, one from Kicevo and the other from Skopje (which, according to nonofficial information, have been liquidated in the meantime).

These enterprises started privatization according to Ante Markovic's law, by buying up the enterprises through internal shares and making payments to the former Development Fund.

As the manager of the financial sector of the Privatization Agency Evgeni Zografski explained, although the privatized enterprises have not yet received an official report on the accomplished privatization, the ownership is known and the owner defined. On the other hand, at the time they started the ownership transformation (in 1990) they applied the legal procedures of that time, which means that their accountancy was calculated (as the laws required then). They were denied the discount allotted by the law on state capital and on the other capital subject to privatization, the shares were issued and bought with money paid to the former Development Fund (the purchase sale contract was done between the enterprise and the Fund), and later on they were registered as private enterprises.

Most of them were exposed to the control of the former Government Auditing Office in order to see whether the capital of the enterprise and the discount allotted to the buyers under the old laws were accurately calculated, and whether the taxes for the internal shares were paid in cash.

According to the agency there are some enterprises that have really given cash money for the shares, but there are also others which have just made accounting transactions by purchasing the shares according to Article 4 of the law on salaries (of that time). If they do not do it in a defined term, they will not be entitled to that part of the privatized capital. However, as Zografski says, that is not going to happen, because there is just a small amount of money to be paid, and they will certainly do it. Namely, since they are truly private companies (which means that the present law on limitation of salaries is not valid) the income they realize can be transferred to payments for the shares, thus the owners will definitely buy up the company.

As far as the values are concerned, the capital is calculated in the value of that time (the so-called accounting value of the company), valorized for the period that has passed after the issuing of the shares until the day the tax payments were made (today it is 290 times greater than it was in December 1990). According to the present Privatization Law that money must be paid in three months' time after the Government Auditing Office control.

These companies are still waiting for the reports on their privatization also because of some other unsettled formalities, as is the public disclosure of the former owners, which will remain in the competence of the agency until the Denationalization Law is enacted.

As we were informed by the Privatization Agency, the first 100 privatized companies will be known in June (those that have started privatization under the old federal laws), and they are on the list of the 1,468 companies which entered the first phase of privatization under the new Macedonian law on transformation.

Besides these 11 enterprises, the mixed companies—foreign Macedonian (from the former Yugoslav republics) will be the first in their turn, and they have until 28 June to decide about their transformation, like the contract organizations. There are some 50 to 100 companies of mixed capital—foreign and domestic, which will be transformed immediately, because their owners are known. All they have to do is make previous agreements on transformation with the foreign owner and make their privatization legal. If they themselves do not do it before June, the Privatization Agency will have to do it, according to the law.

Government Threatens Action Against Refugees

LD1105155994 Belgrade TANJUG in English 1455 GMT 11 May 94

[Text] Ljubljana, May 11 (TANJUG)—Slovenia warned Croatia that it will undertake measures to move around 1,000 refugees out from its holiday resorts on the Adriatic coast near Novigrad where they are staying. The refugees, predominantly Croats from the former Yugoslav republic of Bosnia-Herzegovina, refused to leave Slovenia, where they have been accommodated, by April 15, as was envisaged by a Slovenian-Croatian agreement on governmental level. In a note to Zagreb, Ljubljana demands that Slovenian ownership of the resorts and interstate agreements be respected.

Failing to specify the diplomatic measures it will resort to, Slovenia threatened that the refugees would be moved out, with the explanation that its future moves are politically and morally justified.

Slovenian-Croatian relations have in recent weeks again deteriorated, as can be seen from Ljubljana's cold response to President Tudjman's invitation to Slovenian President Milan Kucan to pay an official visit to Croatia.

Besides the problem of the resorts, i.e., ownership, Ljubljana and Zagreb have also failed to regulate a number of other important political and economic issues. The delimitation of the border on the Adriatic coast and the delivery of power from the Krsko nuclear power plant and the payment for it have also been reasons for dispute. The constant drop in the exchange of goods between these former Yugoslav republics is a consequence of these disputes.

Foreign Minister Ends Talks in Washington

AU1105190794 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 11 May 94

[Report by Uros Lipuscek]

[Text] Washington—Slovene Foreign Minister Lojze Peterle met with U.S. Secretary of State Warren Christopher in Washington late this afternoon. A brief news conference was held prior to the official talks in the State Department building, at which the U.S. secretary of state among other things said that Slovenia was an extremely successful country that was advancing fast. He also expressed satisfaction over the fact that Slovenia had joined the Partnership for Peace. When I asked him what was the U.S. stance toward the statements of some Italian politicians who have been voicing open territorial demands toward Slovenia and Croatia, the U.S. secretary of state said that he was not acquainted with such demands but in extremely categorical terms stated that the United States is opposed to change of borders and resolutely supports the territorial inviolability of Slovenia.

Slovene Foreign Minister Peterle after the talks said that they were very successful. They discussed political and economic cooperation, where certain problems exist, for example, the issue of debts of the Krsko nuclear plant that were approved by the U.S. export-import bank EXIM. The Slovene foreign minister also raised the issue of the lifting of the arms embargo for Slovenia. Although the United States would not agree to a unilateral lifting of this UN Security Council measure, there is a growing belief that the United States would consent to a partial lifting of this embargo, especially in nonmilitary spheres. As an example of this, Foreign Minister Peterle put forward the import of explosives used in the construction of the Slovene highways.

The U.S. secretary of state among other things also received an invitation to visit Slovenia. With this, Slovene Foreign Minister Peterle ended the talks in Washington.

Federal

Bonds Issued To Settle Government Military Debt

AU1105204194 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 11 May 94

[Text] FRY [Federal Republic of Yugoslavia] Prime Minister Radoje Kontic visited Jagodina and Curpija today. He said that the program of economic stabilization gave some encouraging results, but that the prices of especially services and agricultural produce are still very high. Our reporter asked the federal prime minister to comment on yesterday's statement by the governor of the National Bank of Yugoslavia, Dragoslav Avramovic, that the bank would not give any credits to the Federal Government before it has secured wheat. Let us listen what Radoje Kontic said:

[Begin recording] [Reporter Radoslav Nikolic] How do you interpret the governor's statement that he will no longer give any credits to the Federal Government?

[Kontic] I did not hear this statement. However, I must immediately point our that there have been absolutely no problems in cooperation between the Federal Government and the National Bank of Yugoslavia so far. We have managed to resolve all the issues very quickly and efficiently to mutual satisfaction. I see no reason why this would not be the case in the coming period. If we share the same strategic goal, which we do, namely, the preservation of the dinar's stability, the preservation of the stability of prices, and, within this context, the reanimation of the overall economic activity and production, then I really see no reason why we could not agree on measures, mechanisms, and instruments with which we would accomplish such strategic goals.

[Nikolic] Mr. Prime Minister, the Federal Government has issued bonds with an 11 percent interest rate. To what extent has this damaged the economic program of stabilization?

[Kontic] Well, it is a well known fact that the federal budget suffers from a rather heavy budget deficit and this budget deficit can be actively serviced in two ways—through money issue, which is inflationary and ill-advised, and through real sources of income. It is perfectly common in such situations for a government to issue bonds and in this way secure real sources of income from the financial market in order to cover the budget deficit.

In this particular case, this involved some 15 million FRY dinars, with which we had to settle obligations toward the Yugoslav Army, or to be precise, toward the military industry. Bearing in mind that the overall sources were de facto placed into the military industry, it is absolutely certain that they will serve the reanimation of production, that is, that they will comply with the realization of the program of economic stabilization. I personally believe that governor's remark did not refer to the fact that bonds were released, but to the conditions in which the bonds were released. We have acknowledged his suggestion and, in the future, we will, in agreement with the National Bank of Yugoslavia, define the conditions for the issue of bonds. [end recording]

National Bank Governor Views Economic Program

AU1105203994 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 11 May 94

[Text] At an expert meeting of the Association of Yugoslav Engineers and Technicians, held at the Technical Fair in Belgrade, Dr. Dragoslav Avramovic, governor of the National Bank of Yugoslavia, stated that the country's taxation system will be radically changed by the middle of this year at the latest. He announced that the process of transformation of dinars into foreign currency in our financial institutions will be simplified very quickly. According to Professor Avramovic, the third phase of the program of economic stabilization, that is to say, the commencement of investments, could be expected in the fall.

Exclusively for this newscast, the governor of the National Bank of Yugoslavia also speaks about today's latest decisions of the Council of Governors of the National Bank of Yugoslavia:

[Begin recording] [Reporter Dusko Petrovic] Mr. Governor, today's session of the Council of the National Bank of Yugoslavia was brief and efficient. Several important decisions aimed at the revitalization of banks, the continued monitoring of the economy, and the preservation of the growth of economic activities, were passed. What were these decisions?

[Avramovic] We have reduced the mandatory reserve that the banks have with the National Bank by a third, which will add to the credit potential of the banks and thus alleviate or perhaps even eliminate the shortage of funds that the economy has been experiencing in its efforts to increase production. One of the members of the council, Mr. Perucic from Beobanka, today reiterated how acute this shortage of cash was precisely because of this lucky circumstance, that is, the increase in production. We hope that we will overcome this shortage with the measures that have been taken last week and this week. If need be, we shall proceed further in the coming week.

[Petrovic] Mr. Governor, please comment on the decision to form 10 coordinating groups for the recovery of the economy with the Serbian Government, whose initiator was Minister [without portfolio] Dragan Tomic?

[Avramovic] Well, this is an extraordinary initiative. We have been thinking about it, but not in terms of such concentrated and extensive efforts that he had undertaken. We expect all the best from it as the key to our future recovery lies in the reconstruction of our production systems and big companies. There could not have

been a better initiative than the creation of these coordinating groups, which will take care of the reanimation of production, the marketing of products, further investments, and the resolution of all problems that some of our companies face.

[Petrovic] The Federal Government has recently released bonds with an 11 percent interest rate onto the financial market. You have assailed this measure as an attack on the program.

[Avramovic] Yes. You know, we managed to agree with the banks to keep the basic interest rate down to 9 percent so that the economy would be able to obtain relatively cheap credits, I mean, these are not cheap credits anyway. The situation was particularly critical in agriculture. Then it came as a surprise that the Federal Government had appeared on the market with bonds of the highest value—as the state bonds always are—and with such a high interest rate. However, I have heard that they have suspended further emissions now. I hope that we will resolve all this in a satisfactory manner.

[Petrovic] You were also resolute in your demands toward the Federal Government to release state commodities and corn as soon as possible. You have even said that the federal state will not get a single dinar in credits unless it does this.

[Avramovic] Directly or indirectly—through the federal, republican, and local authorities—the state has huge stocks. All this will be spoiled if it is not put on the market as soon as possible. The first consequence of this would be a drop in prices, the second consequence a replenishment of the budget, and the third consequence the making of an economic space for the forthcoming harvest, which will be very good, as it seems.

[Petrovic] Thank you very much.

[Avramovic] Thank you. [end recording]

Serbia

Serbs Stress Brcko Corridor Must Not Be Cut

AU1105153994 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 May 94

[Text] With the internationalization and placement of the corridor under UN supervision, which is also the basis of the Vance-Owen plan, the international community tried to sell the Serbs a pig in a poke, the president of the Democratic Party of Serbia, Vojislav Kostunica, said at the news conference.

The Serbs in Bosnia were forced to wage this war, not for a road, but for a state. Vladimir Nikolic reports:

[Begin recording] [Nikolic] According to Kostunica, the international encirclement is living a life of its own regardless of what is happening in Bosnia. There has never been more negotiations about peace and less actual peace. The international community is not in even in a position to decide on the makeup of a body that would discuss the situation in Bosnia, let alone about the issue of peace.

[Kostunica] The Muslims attacked Brcko. There were human casualties. The international community and its most powerful protagonists are not responding to this, probably because the Serbian reports about casualties are correct, while the Muslim reports about the casualties so far have, as a matter of rule, never been accurate, but exaggerated.

[Nikolic] At this moment, Brcko could be a means for getting a more favorable division of the territory to the advantage of the Muslim-Croatian federation, however, it can also be a goal per se, that is, to break the Serbian territory in half and fan the war, Kostunica believes.

President of the Peoples' Party of Montenegro Novak Kilibarda appeared as a guest at the news conference. In the name of this party, he put forward an opinion that if the corridor near Brcko is interrupted by force, Yugoslavia must become involved in the war, or must at least openly say so. Saying that there is no alternative, Vojislav Kostunica concurred with this opinion.

Regarding the affair with the Dafiment Bank, the position of the Democratic Party of Serbia is that SRPSKA REC has published a fabrication. The statements of the Serbian Renewal Movement were branded as an expression of the lack of political culture. Kostunica said that he will privately press charges against SRPSKA REC. [end recording]

Sabac Prosecutor Charges Man With War Crimes

LD1105141694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 11 May 94

[Text] Belgrade, 11 May (TANJUG)—The District Public Prosecutor's Office in Sabac has filed charges against Dusan Vuckovic, nicknamed Repic, a fitter from Umka, on the grounds of having committed war crimes against the civilian population. The charges have been filed under Article 142 of the Penal Code of the Federal Republic of Yugoslavia.

According to the Sabac prosecutor's office, in addition Vuckovic is charged with the criminal acts of rape and looting under Articles 103 and 168 of the Penal Code of Serbia.

TANJUG learned today from the prosecutor's Office in Sabac that the indictment states that, as a member of a volunteer unit under the command of the Zvornik (in the Srpska republic) defense staff, Vuckovic, while under the influence of alcohol, killed 16 and wounded 12 civilians of Muslim nationality with a machine gun in the village of Celopek. During the investigation he admitted killing seven people.

The victims, all members of Muslim nationality, were under guard in the village of Celopek near Zvornik following an action to disarm them. Vuckovic, who

committed the criminal acts of rape and looting on the territory of Serbia, is in detention awaiting trial.

Kosovo

Bulatovic, Kosovo Governors Discuss Security

LD1105175094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1548 GMT 11 May 94

[Text] Pristina, 11 May (TANJUG)—Federal Defense Minister Pavle Bulatovic and his aides today spoke in Pristina with the governors of the Kosovo and Metohija districts and with representatives of the military authorities about issues relating to the implementation of the policy and system of defense in Kosovo and Metohija, the Federal Defense Ministry has announced.

All issues of relevance to the security system were comprehensively discussed. The governors stressed that there is very wide-ranging and successful cooperation between state authorities and units and command bodies of the Yugoslav Army.

Bulatovic said that the political, security, and economic situation in Kosovo and Metohija demands the permanent involvement of the republican and federal governments.

The successful cooperation of civilian authorities and units of the Yugoslav Army and organs of the Interior Ministry is of extreme importance, because for the time being this is the only reliable way of keeping the peace in Kosovo and Metohija, the federal defense minister stressed.

Minister Bulatovic today observed exercises carried out by units and command bodies of the Third Army and some units of the Serbian Interior Ministry.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.